

DAILY REPORT

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AGRICULTURAL BANKING SEMINAR CLOSING IN BEIJING

OW171818 Beijing XINHUA in English 1627 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- A 10-day seminar on China's agricultural credit and banking system closed in Beijing today.

The seminar was organized and sponsored by the Agricultural Bank of China, the Bangkok-based Asian and Pacific Regional Agricultural Credit Association (APRACA), the Economic and Social Commission for Asia and the Pacific (ESCAP), and the Food and Agriculture Organization (FAO).

Twenty-six representatives from 12 countries and international organizations put forward suggestions at today's session following their 5-day study tour of Nanjing, Changshu and Suzhou in southern China. During their visit, the study group inspected local operations of the Agricultural Bank of China and of rural credit cooperatives. The group also studied the production responsibility system which came into force in China's rural areas in 1978.

B.R. Chaudhari, acting secretary general of APRACA, said the Agricultural Bank of China has played a positive role in implementing government policies and developing the rural economy. S.Z. Khan, chief of the agriculture division of the ESCAP, said the responsibility system has given full play to the peasants' initiative, enlivened the rural economy and helped improve rural life.

At today's session, five representatives from the Agricultural Bank of China spoke on the bank's accounting system and use of loans, as well as on the functions of the rural credit cooperatives.

The study group will leave Beijing tomorrow.

ESCAP HEAD PLANS TO VISIT BEIJING IN SEPTEMBER

OW170841 Beijing XINHUA in English 0807 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- S.A.M.S. Kibria, executive secretary of the Economic and Social Commission for Asia and the Pacific (ESCAP) of the United Nations will pay a visit to Beijing from September 13 to 16, said a Chinese Foreign Ministry spokesman here today.

This will be Kibria's third visit to China since he became the executive secretary in May 1981.

Qi Huaiyuan, director of the Information Department of the Foreign Ministry, said at the press briefing that Kibria will preside over the opening sessions of two ESCAP seminars (seminar-cum-study tour on upgrading the operational efficiency of railway transport and seminar-cum-study tour on construction and maintenance of rural roads). These two seminars are respectively sponsored by the Ministry of Railways and the Ministry of Communications in accordance with projects program of ESCAP in 1983.

Kibria will also discuss with Chinese Government departments matters on promoting friendly cooperation between the ESCAP secretariat and the relevant departments of China, he added.

RENMIN RIBAO VIEWS U.S. DOLLAR, INTEREST RATES

HK171316 Beijing RENMIN RIBAO in Chinese 17 Aug 83 p 7

[Article by Zhang Zhenya: "The U.S. Economy Viewed From the U.S. Dollar, Interest Rates"]

[Text] At a time when the U.S. dollar is skyrocketing, the central banks of the United States, Western Europe, Japan, France and Switzerland have jointly intervened in the international financial market. In the first week of August they sold over \$2 billion to stabilize exchange rates, but the value of the U.S. dollar is still reaching new highs with each passing day. This is in sharp contrast to the situation 4 years ago when the value of the U.S. dollar was dropping rapidly.

The sudden rise in the value of the U.S. dollar may be an honor for the United States, but the U.S. economy, U.S. allies, developing countries, world trade, and the U.S. industrial structure are all suffering as a result.

Over the past 2 years, high U.S. dollar exchange rates have made many American products more expensive and less competitive on the international market. Even worse, the U.S. domestic market has also been invaded by foreign products. According to estimates of the U.S. Department of Commerce, the United States has suffered a loss of about \$100 billion in its GNP, and unemployment has increased by 1.6 million. According to recent estimates by U.S. Secretary of Commerce Baldrige, if the rate of the U.S. dollar does not drop, the U.S. foreign trade deficit will reach some \$60 billion this year or even rise to \$100 billion next year. This will make it more difficult to curb U.S. protectionism.

The main allies of the United States are also displeased with this. As prices of imported raw materials and petroleum have to be calculated on the basis of the U.S. dollar, the rise in the U.S. dollar has increased their costs in imports, resulting in heavy losses. Those Third World countries which do not produce oil not only have to suffer difficulty in repaying debts (most are calculated in U.S. dollars), but also have to pay more for imported oil. Economic pressure on them is, therefore, much heavier.

For its own interests, the United States does not want to see a rapid rise in the value of the U.S. dollar. However, it is not that easy to stop it.

Many factors account for the rise in the U.S. dollar, the most direct one being high U.S. interest rates. Like a powerful vacuum cleaner, high interest rates have continuously absorbed international idle money into the United States. Since the beginning of 1980, net U.S. private capital has increased by \$70 billion. It is obvious that money will flow to places where there are high interest rates and that the more people need U.S. dollars, the higher the value of the U.S. dollar is. Therefore, in order to thoroughly resolve the problem of the rising U.S. dollar, it is all the more necessary to reduce U.S. interest rates. However, it has become more and more difficult to reduce interest rates in the United States. This is because the U.S. economy is recovering rapidly and the demand for funds is increasing. Particularly, the Federal Government's need to borrow large amounts of money has aggravated the situation whereby supply falls short of demand on the money market.

The U.S. economy picked up fast in the second quarter this year. The annual rate of the GNP rose from 2.6 percent in the first quarter to 8.7 percent -- which was unexpectedly fast. The U.S. unemployment rate in July further dropped by 0.5 percent, the biggest monthly drop since the end of 1959.

These all show that the revival rate of the U.S. economy will not slow down too much in the third quarter. Enterprises' and individuals' needs for capital will, therefore, inevitably increase further. But since the U.S. Federal Government is still raising funds from the capital market to make up its enormous budget deficit -- which is as high as \$200 billion -- the U.S. Government, enterprises, and individuals thus come to compete for capital in the market. Under normal conditions the Federal Reserve Bank would increase internal monetary circulation to ease the situation. But since the primary monetary supply has already increased too much since August last year in stimulating internal economic recovery, many noted U.S. scholars who uphold the doctrine of currency repeatedly warn that serious inflation will take place next year, causing the Federal Reserve Bank to control internal monetary supply carefully. Under these circumstances, the only way really to ease the tense situation is to scale down the Federal Government's budget deficit and to reduce the money borrowed from the market to reduce the pressure to push up interest rates. The White House and Congress, however, are locked in a stalemate on the issue of reducing the budget deficit (by increasing taxes, reducing national defense expenditures, and so on). Since it is generally expected that the Federal budget deficit will not be reduced to below the \$150 billion level for the next few years, the issue of interest rates will be difficult to solve.

One characteristic of the present revival in the U.S. economy is that the interest rates were in two digits right at the initial stage of economic recovery, which is unprecedented since World War II. Interest rates are at such high levels only because U.S. financial authorities have made great efforts to limit the monetary circulation for the past 3-odd years to keep the internal inflation rate within limits. Although this method can check rising product prices, it greatly hinders the stimulation of enterprise investment and speedup of economic growth. Since it also leads to rises in the value of the dollar and causes U.S. exporters to lose many external markets, the interest rates issue has already become a major one which will play an important part in the smooth development of the future U.S. economy and President Reagan's reelection next year.

White House Spokesman Speakes' declaration for a second time that the government was "against any rise in interest rates," provides proof of its importance.

The prospects of the U.S. economy seem to be shrouded in the huge shadow of the U.S. interest rates issue.

BA YI HITS JOINT TAIWAN ARMS COMMUNIQUE

OW171433 (Clandestine) Ba Yi Radio in Mandarin to China 1325 GMT 17 Aug 83

[Text] Seventeen August 1982 was another day of pitch darkness in the history of Sino-American relations. On that day a year ago the so-called China-United States joint communique in which the Americans promised to undertake to gradually reduce the supply of American arms to Taiwan, was published. However, as events in the past few years have proved, the American imperialists' promise was another downright fraud. Before the ink on the so-called 17 August communique had dried, the U.S. President and other chiefs forsook their obligation by singing the same old tune, asserting that -- in accordance with the so-called Taiwan Relations Act adopted by the U.S. Congress -- the United States should ensure the security of Taiwan and the freedom and independence of the Taiwanese people.

Hence, since the signing of the so-called 17 August communique, the United States has not reduced but increased the quantity of arms to Taiwan.

The American arms supply to Taiwan in 1982 was more than that in 1981, and in 1983 is more than in 1982. In 1984, U.S. arms supply to Taiwan will increase by a big margin and exceed 1 billion dollars. Moreover, at the beginning of this year, the United States and the Kuomintang signed a long-term agreement on American assistance to modernize Taiwan's armed forces. The agreement stipulates that the United States will help modernize the Kuomintang's armed forces within 7 years, that is, before 1990. The United States has also promised to provide the Kuomintang with all modern weapons and technical equipment produced by the United States during that period.

The American imperialist chieftains have frequently raised a hue and cry that, in the 21st century, the United States must guarantee Taiwan's freedom and independence. It would be very difficult to find a precedent in the world that is as unscrupulous and shameless as the American imperialists. As a country, the United States has the audacity to declare that it intends to continue to interfere in another country's internal affairs and ensure the freedom and independence of a province of another country into the next century.

Nevertheless, the American imperialists' audacity is no surprise to anyone, because disregarding another country's sovereignty and national dignity is precisely the very nature of the U.S. imperialists' aggressiveness and hegemonism. What surprises people is that certain leaders in our country can tolerate the U.S. imperialists' unscrupulous and shameless acts. As of today they still entertain wishful thinking about the so-called 17 August China-United States Joint Communiqué, which was trampled on and scrapped by the American imperialist chieftains a long time ago.

In short, how can certain leaders in our country wish to resort to the method of signing a communiqué to prevent the U.S. imperialists from carrying out their two-China policy? We should work together with revolutionary people all over the world to wage a resolute and uncompromising struggle against the U.S. imperialists' global aggressive policy. We must firmly oppose and other countries. Only by doing so can we safeguard our sovereignty and national dignity and be free from the encroachment and humiliation of the imperialist pirates.

SOVIET SOCCER TEAM HONORED BY BEIJING RECEPTION

OW171407 Beijing XINHUA in English 1359 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- The Chinese People's Association for Friendship With Foreign Countries and the Sino-Soviet Friendship Association gave a reception here this evening for the Soviet "Shakhter"-Donetsk football team.

Yao Shuxian, a standing council member of the Chinese Friendship Association, said the visiting side was the first Soviet football team to play in China since the resumption of sports exchanges with the Soviet Union in recent years. The team's tour would be beneficial to strengthening sports exchanges and the friendship between the two peoples.

Present were leading members of Chinese departments, members of the guest team, and Y.I. Rodichenkov, counsellor of the Soviet Embassy here.

This afternoon G.V. Kireyev, interim charge d'affaires of the Soviet Embassy, hosted a cocktail party at the embassy for the "Shakhter"-Donetsk team.

Among those present at the party were Lu Jindong, vice-minister of the Chinese Physical Culture and Sports Commission; Ma Xusheng, director of the Department of the Soviet Union and East European Affairs of the Foreign Ministry; and Chinese football players and coaches.

ANDROPOV VIEWS U.S.-USSR GENEVA ARMS TALKS

OW171652 Beijing XINHUA in English 1618 GMT 17 Aug 83

[Text] Moscow, August 17 (XINHUA) -- Soviet Leader Yuriy Andropov said today that the Soviet Union hopes for an agreement at the Geneva strategic arms talks, but he warned that his country will take "countermeasures" if the United States deploys its new nuclear missiles in Western Europe. Andropov made these remarks at a meeting with AFL-CIO Vice President William Winpisinger, who has arrived here at the head of a U.S. trade union delegation.

According to TASS new agency, Andropov told the U.S. trade union leader that the Soviet Union has displayed a "constructive and flexible" attitude at the Geneva talks, while accusing the United States of "continuing to demand unilateral disarmament from the USSR." "We will, naturally, never agree to that," he added. The Soviet leader said the Soviet Union "will continue to follow a constructive and flexible line...until the U.S. Government, by starting to deploy new nuclear missiles close to us, on the European territory, compels us to concentrate on defensive counter-measures."

Washington has repeatedly argued that its proposed deployment of new missiles in Western Europe was to counter the Soviet build-up of sophisticated SS-20 missiles in Europe. There have been reports from Moscow that the Soviet Union might respond to the U.S. move by stationing new weapons in East European countries. Andropov expressed the hope that the U.S. will change its approach in the Geneva talks.

During the fourth round of the Geneva talks which began on June 8, the United States proposed a ceiling of 1,200 for missiles and 400 for bombers and a reduction of nuclear warheads to 5,000 each side. But the proposal was rejected by the Soviet Union.

At the end of the talks which were adjourned early this month, U.S. officials labelled the Soviet stand "rigid and uncompromising," while the Soviet chief negotiator Victor Karpov said it was "up to the American side" to make "progress" at the talks.

CPC LIAISON DEPARTMENT ADVISER SEES JAPAN YOUTHS

OW171526 Beijing XINHUA in English 1442 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- Zhang Xiangshan, adviser to the Liaison Department of the Central Committee of the Communist Party of China, met three youth delegations from Japan here this afternoon.

The delegations represented the Socialist Party of Japan; the national council of the Socialist Youth League of Japan; and the All-Japan Youth Movement Congress.

Zhang briefed the delegations on the establishment of the official relations between the Chinese C.P.C. and the Japanese Socialist Party last spring and China's stand on major international issues.

The delegations arrived here yesterday at the invitation of the All-China Youth Federation.

DENG YINGCHAO MEETS JAPANESE FRIEND

OW171936 Beijing XINHUA in English 1624 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- Deng Yingchao, chairman of the Chinese People's Political Consultative Conference National Committee and honorary president of the Chinese People's Association for Friendship With Foreign Countries, this afternoon met with Kinkazu Saionji, his wife and son.

Kinkazu Saionji, an old friend of the Chinese people, visits China every year according to an invitation extended by the late Premier Zhou Enlai, husband of Deng Yingchao. This year he toured scenic spots in Heilongjiang Province, northeast China.

Present were Wang Bingnan, president of the Chinese People's Association for Friendship With Foreign Countries, and Sun Pinghua, vice-president of the association and the China-Japan Friendship Association.

Kinkazu Saionji arrived here July 24 at the invitation of the China-Japan Friendship Association.

THAI SUPREME COMMANDER VISITS PLA ACADEMY

OW171255 Beijing XINHUA in English 1232 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- General Saiyut Koetphon, supreme commander of the Thai Armed Forces, and his party today visited the military academy and naval headquarters of the Chinese People's Liberation Army here. They were warmly received by officers and men.

At the military academy, Xiao Ke, Chinese vice-minister of national defence and commandant of the academy, gave the visitors a general account of the academy's history and development. He presented General Koetphon with the "Chinese Ancient Military Strategy" and "Mao Zedong's Military Writings". The guests then inspected teaching facilities and met with cadets attending classes.

While in the naval headquarters, General Koetphon, accompanied by P.L.A. Naval Commander Liu Huaqing, reviewed an honor guard made up of navymen. The guests were also briefed on the building of the Chinese Navy.

THAI PARLIAMENTARY DELEGATION BACK IN BEIJING

OW171425 Beijing XINHUA in English 1354 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- A delegation from the Thai House of Representatives led by Speaker Uthai Phimchaichon returned here this afternoon after a tour of Shanghai, Hangzhou and Guilin in southern China.

Before his departure from Guilin, Uthai said his deepest impression of China came when Chinese leaders told him that Thailand and China were friendly countries, and when a friendly country was in trouble, China would not act as an onlooker. "Our countries have taken identical stands on the Kampuchean issue," he said.

Kampuchean refugees were one of Thailand's major problems, Uthai added. He said Thailand was a developing country, and already had enough work to busy itself with. Still more problems would crop up if Thailand accepted the refugees, he said.

Uthai also said that Thailand has made all preparations, including military ones, along the Thai-Kampuchean border. However, he said Thailand did not want to spend money on tanks and guns instead of on building hospitals and schools. He called on all countries to concern themselves with their own construction and not with preparations for war.

Uthai said his delegation was accorded a warm welcome in China. The different political systems of the two countries, the speaker said, should not hamper the development of their friendship. He said he was convinced that Sino-Thai friendship would develop.

ASEAN COMMITTEE HEAD CALLS FOR MORE WORLD SUPPORT

OW171201 Beijing XINHUA in English 1147 GMT 17 Aug 83

[Text] Hong Kong, August 17 (XINHUA) -- More concerted ASEAN efforts are needed to win international support at the coming 38th United Nations General Assembly for ASEAN's Kampuchean policy demanding the withdrawal of all foreign troops from Kampuchea, said Indonesian Foreign Minister Mokhtar Kusumaatmaja in Jakarta Monday.

Mokhtar said this when he addressed the first meeting of the ASEAN's standing committee since he took over the chairmanship from his Thai counterpart Sitthi Sawetsila last month, according to reports from Jakarta.

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He noted that there had not been much headway made in the ASEAN efforts to settle the Kampuchean problem.

Foreign Minister Mokhtar also said that in view of the continued difficulties in the international economy, collective and comprehensive approaches to international economic issues were required as well as the building up of stronger foundations for achieving more flexibility and resilience in ASEAN's own economy. However, he said despite the adverse international situation, it was encouraging to note that ASEAN was progressing steadily. He referred this to the official acceptance as a new member of ASEAN of the British-ruled Brunei following its independence on January 1, 1984.

The meeting was attended by delegations from the five ASEAN members -- the Philippines, Singapore, Thailand, Malaysia and Indonesia -- and Brunei headed by their respective ambassadors to Indonesia.

BRIEFS

THAI GROUP IN HAINAN -- A four-member Thai antimalaria investigation group, accompanied by (Li Zusi), deputy director of the Guangdong provincial parasitic disease prevention and control research center; and (Kong Dehui), associate professor of the Zhongshan Medical College, arrived in Haikou by plane yesterday afternoon. In accordance with an agreement between the PRC Ministry of Public Health and WHO, the group will conduct a 3-day investigation of malaria on Hainan Island. [Summary] [Haikou Hainan Island Service in Mandarin 0330 GMT 10 Aug 83 HK]

JI PENGFEI MEETS VISITORS FROM BANGLADESH

OW171417 Beijing XINHUA in English 1339 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- Chinese State Councillor Ji Pengfei met with Anwar Zahid from Bangladesh and his party in the Great Hall of the People here this afternoon.

Ji Pengfei said that the people of China and Bangladesh have had a traditional friendship, and that it is necessary for the friends to have more contacts and exchanges of views and increase their understanding.

He also briefed the guests on China's political, economic situation and foreign policy. He noted that China firmly stands by the Third World countries. In addition to developing its friendly relations politically, he said, the country will expand trade ties and explore possibilities and ways of developing cooperation with them in the economic and technological fields.

Zahid and his party arrived here August 13 for a visit to China as guests of the Association for International Understanding of China. They will travel to Urumqi, Shanghai, Hangzhou, Changsha and Guangzhou.

SOVIET-KARMAL TROOPS SUFFER AFGHANISTAN LOSSES

OW161924 Beijing XINHUA in English 1839 GMT 16 Aug 83

[Text] Islamabad, August 16 (XINHUA) -- The Soviet-Karmal troops suffered new losses at the hands of resistance forces in various parts of Afghanistan in late July, according to recent AAP [AFGHAN PRESS AGENCY] reports.

The Afghan guerrillas launched a successful attack on a Soviet supply convoy moving on Herat-Qandahar highway near Zambowli, Gereshk subdivision of Helmand Province, on July 30. They killed six Soviet soldiers, destroyed one tank and two army vehicles. Trucks loaded with supplies were either wrecked or damaged.

On July 29, guerrilla fighters attacked four Karmal soldiers in Surpoza area in western part of Qandahar City, capturing four Kalashnikovs and other arms and ammunition.

A clash between the guerrillas and Soviet-Karmal troops took place on July 30 in Khas Konar subdivision, 40 kilometers south of Asadabad, capital of eastern Konar Province. One Karmal officer and five soldiers were eliminated.

In Lowgar Province, south of Kabul, large numbers of Soviet troops were wiped out. Several tanks and armored cars were shattered or damaged by the guerrillas during different operations conducted late last month.

HU YAOBANG MEETS GREEK CP-I LEADER DRAKOPOULOS

OW180747 Beijing XINHUA in English 0718 GMT 18 Aug 83

[Text] Beijing, August 18 (XINHUA) -- Chinese Communist Party Central Committee General Secretary Hu Yaobang said here today that the goal of quadrupling the gross industrial and agricultural output value by 2000 as set at the party's 12th national congress last year can be attained after some effort.

In the years after 1979, he said, China's agricultural production had increased at an annual rate of 7, 8 or 9 percent, which is among the best since the founding of the People's Republic in 1949. The growth rate of industrial production was not so high because the stress was on economic results rather than speed, he added.

He made these remarks late this morning in a meeting with Pampis Drakopoulos, member of the Executive Bureau of the Central Committee of the Greek Communist Party (Interior), and his wife Toula Drakopoulos.

Drakopoulos last visited China in December 1980 in the capacity of the general secretary of the Greek party and met with Hu Yaobang. That visit led to the establishment of official relations between the Chinese and Greek Communist Parties.

At 11:00 today when Drakopoulos came into the Fujian room of the Great Hall of the People, Hu Yaobang grasped his hands and said smilingly, "You were here in 1980. I'm so glad to be able to recall our old friendship." The Greek guests arrived in China August 6 on a vacationing tour. They spent ten days in Beijing, Shenyang, Changchun and Qingdao, seeing sights and resting.

Drakopoulos told his Chinese host that he had on this visit seen a train of changes that had taken place in China. What impressed him and his wife most was the ample supply of goods on the market. Compared with what he saw during his 1980 visit, he said, there were big increases in the variety and quantity of industrial and agricultural products, especially foods and clothing.

Hu Yaobang said that a political party, whether in power or not, needs to study the objective situation from time to time, analyzing the favorable and unfavorable conditions and adapting its program and policies to the realities and the demands of the people.

"I agree with you," said Drakopoulos with a nod.

The Chinese party leader said, "We are following your struggle with attention and believe you have a bright future."

Later, Hu Yaobang gave a luncheon for the Greek guests. Present were Ji Pengfei, Standing Committee member of the Central Advisory Commission of the CPC and state councillor, and Qian Qiren, head of the International Liaison Department of the CPC Central Committee.

ITALY'S BERLINGUER FETED AT SHAANXI BANQUET

HK180548 Xian Shaanxi Provincial Service in Mandarin 0500 GMT 18 Aug 83

[Text] The Shaanxi Provincial CPC Committee gave a banquet in the Shaanxi guesthouse yesterday evening to welcome Enrico Berlinguer, General Secretary of the Italian Communist Party [PCI] and Rubbi, head of the External Liaison Department of the PCI, and their party, who are currently visiting Xian. The banquet was held in a cordial and friendly atmosphere.

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Proposing a toast, Shaanxi Provincial CPC Committee First Secretary Ma Wenrui said: By visiting our province, PCI General Secretary Berlinguer has brought to us the deep friendship of the PCI and the Italian people. We are very happy at this.

General Secretary Berlinguer said: Xian contains world-famous cultural relics. People in the West look forward to going there. This visit we are paying to Xian is a proof of the continual development of the friendly ties between the Italian and Chinese parties. We wish that the people of Shaanxi and Xian will make new contributions to socialist construction under the leadership of the CPC.

Present at the banquet were Provincial CPC Committee Secretary and Governor Li Qingwei; Provincial CPC Committee Secretary Zhou Yaguang; Provincial CPC Committee Standing Committee member and Secretary-General (Mu Weisheng); and Xian City CPC Committee First Secretary He Chenghua.

DANISH METAL WORKERS UNIONISTS MET, FETED

OW171522 Beijing XINHUA in English 1437 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- Wang Jiachong, member of the secretariat of the All-China Federation of Trade Unions, met and feted a delegation from the Danish Metal Workers' Union led by its chairman Georg Poulsen here this evening.

They had a cordial and friendly conversation.

The Danish delegation arrived here on August 15 for a visit at the invitation of the Chinese machinery and metallurgical workers trade unions.

LI XIANNIAN GREETES NIGERIAN LEADER ON REELECTION

OW180606 Beijing in English to East And South Africa 1700 GMT 17 Aug 83

[Text] Chinese President Li Xiannian has sent a message of congratulations to Nigerian President Shehu Shagari on his reelection as president. In the message yesterday, President Li appreciated Shagari's contributions to the friendly cooperative relations between China and Nigeria. He believed that Shagari's reelection would give him an opportunity to continue to work for the prosperity of Nigeria and happiness of its people.

HU YAOBANG, ZIMBABWE'S BANANA DISCUSS COOPERATION

OW171717 Beijing XINHUA in English 1637 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- Hu Yaobang, general secretary of the Chinese Communist Party Central Committee, today told Zimbabwean President Canaan S. Banana that China hoped his country would continue to strengthen its national reconciliation and develop its economy while also enhancing its unity with other African countries [A report by Beijing XINHUA Domestic Service in Chinese at 1530 GMT on 10 August here added: "and safeguarding the common interests of the African people."]

During a meeting at the Diaoyutai guesthouse here this evening, President Banana forwarded Prime Minister Mugabe's warm greetings to Hu Yaobang, who referred the prime minister as the first Zimbabwean friend he knew, and expressed his joy in making acquaintance with President Banana.

During the conversation, President Banana thanked the Chinese people for their support and help to the Zimbabwean people in their protracted struggle for independence and building up of their country.

Hu said China does not deserve it. He listed three reasons. "First, we are very good friends and comrades-in-arms; second, we have helped you and you have also helped us. Help and support are reciprocal. Your confidence and hope in us is an assistance to us; and thirdly, our help and support to you is very little. Our country is not rich and still very backward. It is not worth mentioning our help and support to you. Of course, I believe that as the time advances the prospects of our cooperation and mutual support will become broader and broader," he said.

Hu said China achieved victory in its revolution earlier than Zimbabwe. But, he said, the country took a roundabout course in its later work. Otherwise, "the situation would be much better than it is at present," he added.

Hu also praised the Zimbabwean people's political and economic achievements since gaining independence in 1980.

[The Chinese report here added: He said: "We are happy when you do things well, while you are happy when we do things well. This is because we share the same destiny."

[President Banana said: The Zimbabwean people wish to extend their warm greetings to the great Chinese people. Since the founding of their nation, the Chinese people have scored tremendous victories. We know that you have not yet completed the task of building your motherland and that you are continuing your efforts on the basis of your achievements.]

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Hu said that expanding the present cooperation between China and Zimbabwe would be beneficial to mutual understanding and to the development of both countries' economies.

"Our central tasks are to develop our own national economies," he said.

President Banana said Zimbabwe established relations with China soon after its independence. That cooperation should be maintained and expanded, he said.

Present at the meeting were State Councillor and Minister of Foreign Affairs Wu Xueqian; Minister of Justice, Zou Yu; and Chinese Ambassador to Zimbabwe Chu Qiyuan.

Also attending were Zimbabwean Minister of Housing S.S. Mubengegwe, President Banana's party; and Zimbabwean Ambassador to China G.P. Chisese.

[The Chinese text here added: After the meeting, Hu Yaobang feted President and Mrs Banana and their entourage. President and Mrs Banana and other Zimbabwean guests toured the Great Wall and the Ding Mausoleum this morning.]

YOUTH FEDERATION DELEGATION LEAVES FOR TRIPOLI

OW171357 Beijing XINHUA in English 1342 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- A Chinese youth delegation led by Gao Zhanxiang, vice-chairman of the All-China Youth Federation, today left here for Tripoli to attend the Second Pan African Youth Festival at the invitation of the Pan African Youth Movement.

The delegation includes 14 singers, dancers and acrobatic performers.

The Pan African Youth Movement is a youth organization of the whole Africa. The first Pan African Youth Festival was held in Tunisia in 1973.

RENMIN RIBAO PRAISES PLA SUPPORT FOR KEY PROJECT

HK180415 Beijing RENMIN RIBAO in Chinese 16 Aug 83 p 1

[Editorial: "The People's Army Fought To Win State Power and Is Building Up the Country -- Fifth Discourse on the Whole Nation Giving Support to Key Construction Projects"]

[Text] One of the key projects of the nation, the large, comprehensive diversion works of the Luanhe River into Tianjin has been completed victoriously, and has undergone trial operation. The PLA Railway Engineering Corps and the PLA troops stationed in Tianjin shouldering the task of the major construction of this key project have performed deeds of valor in stepping up its construction. Facts have once again illustrated that our PLA has proved itself to be a People's Army not only capable of fighting to win state power but also capable of building up the country.

To divert the Luanhe River into Tianjin to solve the shortage of water for industrial production and for people's daily life there is a matter of great importance that has a direct bearing on Tianjin and the development of the whole national economy. The project started in urgency, the period for construction was short, and the requirements were high. The PLA units taking part in the construction were eager to meet the needs of the state and the people, and of their own accord took up the most difficult task of the construction in hewing a tunnel through the mountain for water diversion. In the process of the construction, they fought against the bitter cold of winter and the scorching heat of summer, carrying forward the revolutionary spirit of bearing hardships and withstanding hard work and giving expression to the lofty spirit of braving hardships and dangers and advancing courageously. Under the circumstances of insufficient technical forces in the process of construction, they studied diligently and trained hard, learning in earnest modern science and technology, and learning scientific management and scientific methods of construction. Relying on their vigor and on science, they have produced speed, quality, and economic results in the work of diverting the Luanhe River into Tianjin.

Ours is a good Army; it has a strong sense of organization and a high level of ideological consciousness; it is highly disciplined; and has a style that is able to pass the stiffest test. It was in the latter part of September 1981 that the troops participating in the diversion works of the Luanhe River accepted their tasks, and it was in mid-November that the advance unit arrived at the worksite and joined the parties concerned in surveying, designing, and drawing up construction plans. In May 1982, construction started in an all-round way. In July 1983, the major construction was completed. Having gone through intense construction for a year or so, overcoming numerous occasions of cave-ins and dangerous situations, they succeeded in building a large water diversion tunnel with a length of over 12 km in most complicated strata, creating an amazing wonder. This unit has a powerful leading body. From higher to lower levels, all the commanders participating in the construction project earnestly practised what they advocated, charged at the head of their men, directed operations on the spot, and shared the joys and sorrows of the fighters. After construction began, leading cadres could be found wherever the work was most intense and most dangerous. In the practice of construction good ideas and style were cultivated, along with a large number of technical cadres, including a number of technical backbone cadres. In praising them, the masses said: "The People's Army was capable of fighting to win state power, and is also capable of building up the country." All this has proved that our Army is invincible.

The participation of the Army in the construction of the key projects of the country is an important form of carrying on the four modernizations.

Not only will this be advantageous to stepping up the construction of key projects pushing ahead the process of the four modernizations, but will also promote closer ties between the Army and the people and the building of the Army itself, and raise the quality and prestige of the troops. The unity of the Army and the people, the unity of the Army and the localities is our fine tradition, and it is where our strength lies. During the 10 years of internal disorder such relations suffered some damage. Now, the troops have plunged themselves into economic construction in the concerted efforts of the Army and the people in the construction of socialist material and spiritual civilization; they have strengthened their unity, and have written a new song of friendship between the Army and the people. The Army has marched from the camps to the society, which has enabled them to broaden their outlook and draw strength from the masses. This is advantageous to raising the ability of the commanders in overall command, to cultivating a large number of talents useful to both Army and the localities, to strengthening the combat effectiveness of the troops, and to providing talented people for the four modernizations. From now on, wherever the conditions apply, some of the troops will be drawn on in a planned way to take part in the construction of the key projects of the country; in particular, they will be organized to undertake some work of great technical difficulty and high labor intensity. This is very necessary for accelerating the construction of projects.

The magnificent contributions of the troops taking part in the diversion works of the Luanhe River into Tianjin will always be remembered by the people of Tianjin as well as by the people of the whole nation. It will inspire people with enthusiasm and accelerate the four modernizations and the invigoration of the Chinese nation. It is our belief that with the participation of the People's Army in the construction of key projects, the cause of building up our nation will surely win greater achievements.

CONCENTRATING RESOURCES ON KEY PROJECTS STRESSED

HK171315 Beijing JINGJI RIBAO in Chinese 10 Aug 83 p 1

[Editorial: "Two Policies, Two Methods, Two Prospects -- On Concentrating Financial and Material Resources To Ensure the Construction of Key Projects, Part 4"]

[Text] There are two policies, two methods, and thus two prospects in economic construction. The first policy is to carry out the construction of key projects in a planned way based on our national strength and according to the needs determined by our strategic goal. And the second policy is to let everyone go his own way and blindly and haphazardly start projects. The first method is to take different appropriate measures to concentrate financial and material resources, rationally allocate these resources under the unified guidance by the state, and thus ensure the construction of key projects while taking other ordinary projects into consideration. And the second method is to scatter financial and material resources among different areas, departments, enterprises, and the masses, to finance some ordinary construction projects which seem locally necessary but actually do not accord with the needs of the whole, or to let people expend all the resources to meet their short-term needs. These pairs of policies and methods will naturally lead to two different results: The first of each pair will facilitate a smooth economic development and the improvement of economic results, secure the overall and long-term interests of the people, and ensure that our magnificent goal will be fulfilled as scheduled; whereas the alternative policy and method will bring about setbacks in economic development, destroy the prospect of the four modernizations, and cause losses to the people. We must only carry out the first policy, and adopt the first method, and strive for the first prospect.

In order to effect the first prospect, our central task is to concentrate financial and material resources to ensure the construction of key projects. It is by no means easy to achieve this although it is obviously necessary to do so. The reason is that some comrades fail to thoroughly understand the differences between the two policies, the two methods, and the two prospects; or, although they know the differences, they refuse to follow the correct road. In voicing their views and handling things, these comrades are always held back by short-sighted viewpoints, emphasizing partial and local interests, and disregarding the overall situation. In order to fulfill the magnificent goal of quadrupling the gross industrial and agricultural output value at the turn of the century, different areas, departments, and enterprises are undertaking tremendously arduous tasks. Some comrades wish to start certain construction projects for the sake of the interests of their own areas, departments, and enterprises. Their thoughts are understandable. However, we must be clearly aware that as our country's financial and material resources are limited at present, it is not possible to cater simultaneously to the needs of both the whole and the part in planning construction projects and allocating funds, materials, and equipment. In solving this contradiction, we must adhere to the following principle: Local interests must be subordinate to overall interests, the part must be subordinate to the whole, and it is necessary to appropriately concentrate financial and material resources to ensure key projects first and then take care of other construction projects if the conditions are favorable. Otherwise, by starting all the projects at once, we will inevitably disperse our resources, delay the progress of projects, and thus do harm to the overall planning. Such practices will not only undermine the overall situation but are disadvantageous to the construction work of different areas, departments, and enterprises as well.

Does the current emphasis on concentration of resources mean negating the expansion of decisionmaking power, and will it lead to an overconcentration of power, thus pushing us backward? No, because the emphasis on an appropriate concentration does not mean negating the necessary expansion of decisionmaking power. The superiority of the socialist planned economy lies precisely in concentration. Experiences have proved that one will be able to achieve something if one can concentrate the available resources. Conversely, overdispersion of resources will give rise to waste. And, as a particular case, key projects usually take longer construction periods and consume and hold large amounts of the means of production, means of subsistence, and manpower for a relatively long period of time, but cannot produce instant effects. Therefore, the construction of key projects calls still more for nationwide unified planning and centralized management. Of course, concentration must be kept under proper control. In the past few years, by correcting the error of overconcentration and excessively rigid control, we expanded the power of localities and enterprises so as to give full play to their initiative and to enliven the microeconomy. This was a very necessary step. However, we should not go too far in expanding power. The features of capital construction require that the power to make decisions on starting projects must be kept under unified control. To be sure, we should give rein to the initiative of localities, departments, and enterprises. But, at the same time, they must also be subject to guidance by the state plan so that resources can be concentrated on the state's major undertakings.

The key to ensuring the construction of key projects lies in the unification of understanding within the party and the concerted action by the people throughout the country. As long as we can steadfastly implement the principle of concentrating resources on the construction of key projects and give solid support to key projects, we are bound to achieve the magnificent goal of socialist modernization.

NATIONAL FORUM STRESSES ENTERPRISE CONSOLIDATION

HK171107 Beijing JINGJI RIBAO in Chinese 12 Aug 83 pp 1, 2

[Editorial: "Only by Raising the Quality of the Enterprises Can We Achieve Better Economic Results"]

[Text] The 7-day national discussion meeting on industrial and communications work has ended. People attending the meeting seriously discussed the issue of further consolidating our enterprises in order to improve economic results, holding that only by enhancing the quality of the enterprises through consolidation can we achieve better economic results. Through discussion, they had a better understanding of the spirit of Premier Zhao Ziyang's statement that "China's industry is faced with a serious challenge, that is, how to bring about a change in improving the quality of the enterprises." Those attending the meeting placed stress on studying the way to improve the quality of their own units and departments. They said that they would take up this challenge bravely so as to make greater contributions to the improvement of economic results.

The quality of enterprises means their internal capacity for development and their adaptability to the changing external conditions, so this can also be taken as the vitality of the enterprises. It includes: the quality of human resources, the quality of technology, and the quality of management. In general, the quality of industrial enterprises in our country is fairly poor. This is mainly reflected in the fact that the political, educational, technical, and professional level of the ranks of workers is low; there is a shortage of professional personnel; equipment is obsolete and technology is outmoded; the technical standards of products are low and remain unchanged for many years; products give poor performance, show monotonous design, lack variety and competitive power; the foundation work for management is weak, and the means and methods of management are backward. All this exists objectively and represents one aspect of the issue. We must also notice the other aspect; that is, it is entirely possible for us to improve the quality of our industrial enterprises. First of all, the hundreds of thousands of industrial enterprises and the tens of millions of workers have a vast reservoir of enthusiasm for socialism and have great potential. So long as we have correct policies and effective measures, we can certainly arouse this enthusiasm and fully tap this potential. As the second factor, since the 3d Plenary Session of the 11th CPC Central Committee, we have adopted a series of principles and policies for enlivening the economy, have carried out an initial reform of the economy system, have given more decisionmaking power to the enterprises in their management and operation so as to exert pressure on and give impetus to the enterprises, and thus have created better conditions for enhancing the quality of the enterprises and improving economic results through efforts. As the third factor, through the past few years of readjustment, reorganization, and consolidation, a number of advanced enterprises which have high quality and have achieved good economic results, have emerged and they have provided useful experience for other industrial enterprises throughout the country.

How should we enhance the quality of our enterprises? In general, we rely on three major steps: consolidation, restructuring, and technological progress. Here, ensuring a thorough shake-up [quanmian zhengdun 0356 7240 2419 7319] of enterprises is an important step for enhancing their quality. Through this shake-up, we will improve the political quality and professional and technical capacity of the leading groups and the workers of the enterprises, improve the technological quality of the enterprises and their capacity for developing new products, and improve management quality and decisionmaking capacity. Speaking more concretely, we should pay attention to the following points:

1. Building competent leading bodies and strengthening the ranks of workers. The most important factor for the improvement of enterprise quality is the improvement of human quality, and the key is to build leading bodies in accordance with the four requirements. Leading members should work vigorously, be able to fulfill their work to high standards, and must have management skills and a down-to-earth style of work. They should work boldly and vigorously, dare to create new things and to direct work, and be good at making decisions. At the same time, we must build a contingent of workers who have lofty ideals, moral integrity, education, and a sense of discipline. In this way, we can adapt our enterprises to the needs of socialized mass production and scientific management.
2. Reforming the unreasonable organizational structure. This is related to the external conditions for the enterprises. Blind production and overlapping construction constitute an important factor for the poor quality and economic results of our enterprises. When the organizational structure of the enterprises is not reasonable, the efforts to improve management and technology will be seriously obstructed. Without changing the unreasonable organizational structure, it is impossible for us to bring about a new turn for the better in our enterprise quality. It is necessary to resolutely stop building new enterprises which can only turn out backward products or products in excessive supply and which contend for raw materials and energy with advanced enterprises. As for those which have already been built, it is necessary to close, suspend, merge, and retool them in a planned and orderly way so as to gradually rationalize the organizational and technological structure of such enterprises and their product mix. Then, our enterprises can continuously improve and enhance their capacity and adapt themselves to the needs of the four modernizations.
3. Making great efforts to promote technical progress in enterprises. It is necessary to step up technical transformation of existing enterprises, to actively adopt advanced technology suited to our national conditions, and to take effective measures to transfer foreign advanced technology to our country, to transfer advanced technology in coastal areas and in military industry to interior areas and civilian industry, and to transfer scientific research achievements to production, so as to shift our industrial production onto a new and advanced technical foundation. We should strengthen the development of new products, quicken the process of upgrading our products, improve product quality, lower the consumption of raw materials and energy in production, and strive for better economic results.
4. Actively adopting modern management methods and modernizing our management. It is necessary to strengthen foundation work for management, to establish and perfect various rules and regulations, to work out appropriate work norms for all workers, and to establish effective and competent administrative and production commanding systems. Workers should be required to have a strong sense of organization and discipline and to abide by all orders. In particular, management cadres at all levels must systematically study modern management knowledge and methods.

JINGJI RIBAO STRESSES JOB RESPONSIBILITY SYSTEM

HK180238 Beijing JINGJI RIBAO in Chinese 9 Aug 83 p 1

[Editorial: "Party and Government Organizations at Both Higher and Lower Levels Should Establish the Job Responsibility System"]

[Text] When a unit has established a new organ and formed a new leading body, it has completed only the first step of structural reform; it is still necessary to meet the requirements of the CPC Central Committee and resolutely do well in taking the second step: establish the job responsibility system at both higher and lower level, and practice a strict system of assessing the proficiency of cadres.

Since 1978, Comrade Dang Xiaoping has on many occasions criticized the phenomena of slackness in work, the common practice of empty talk, having nobody responsible for a job, and arguing back and forth; and has explicitly put forth that "it is necessary to establish the job responsibility system at both higher and lower levels," so as to achieve a clear demarcation of responsibilities, rewards, and punishments, and to eliminate the disaster of bureaucratism. Practice in recent years has proved that in units following this, there has been a comparatively notable new atmosphere, less bureaucratism, and high work efficiency, and talented people appear; otherwise, there is little change in the situation. Therefore, it can be seen that this is an important question that must be grasped well in the reform of work in party and government organizations.

"Party and government organizations are not factories, and things are complicated. It is difficult to set up job responsibility systems there." This is the "reason" claimed by a small number of comrades who have not been enthusiastic enough about this work. However, this is a groundless "reason." It should be admitted that there is a difference between party and government organizations and factories: the style and nature of labor of cadres are different from those of the workers. In establishing the job responsibility system, it will not do to copy the system of the factories, but it is necessary to create something new in accordance with the actual conditions; therefore, there is a certain degree of difficulty. Nevertheless, it is not so difficult as to be fundamentally impossible to establish and implement the job responsibility system. In any job, if there is a necessity for setting up the post, there must be a corresponding responsibility for it to bear, and there must exist an objective criterion to judge whether the work of people is good or bad. Therefore, it is possible to set up the job responsibility system in accordance with actual conditions for each job. The general practice is: First, determine the terms of reference and the tasks, and further analyze the tasks by layers, then define the duties incumbent on each post at various levels, and last, fix the responsibility of each person in accordance with the distribution of labor of every worker. It is necessary to do our best to make the requirements of various jobs scientific, rational, explicit, and concrete, and to express the characteristics of various types of work. There should be responsibility and authority for every post, and both responsibility and authority should fall on a specific person, so as to ensure that each will attend to and fulfill his own duties.

If the job responsibility system is to be genuinely brought into full play, it is necessary to simultaneously implement a strict system of assessing the proficiency of the cadres; otherwise, it will become a formality. In the assessment of cadres, it is necessary to base the work chiefly on the conditions of the cadre in performing the job responsibility system, and to conduct an overall assessment of their political integrity, ability, diligence, and results, stressing the actual results of their work. This is mainly because the actual results achieved in performing the job responsibility system always give a comprehensive reflection of their political integrity and talent. As for the method of assessment, it is necessary to boldly adopt the mass line, to link the assessment by the organization with the appraisal by discussion among the masses. It is necessary to consult the masses beforehand instead of seeking their reactions afterwards. In some places and units, the method of conducting public opinion polls, or democratic appraisal through discussions within a certain range, or calling small-scale appraisal meetings are all effective in the assessment of cadres.

To implement the job responsibility system, it is necessary to practice the system of meting out rewards and punishments, and there should be promotion and demotion. In order to bring the initiative of the cadres into play, it is necessary to rely on political and ideological work, centered on education in communism.

At the same time, it is also necessary to rely on the policy and system of meting out strict and fair rewards and punishments. These two aspects should supplement each other. We should not emphasize one aspect at the expense of another. By so doing, a good atmosphere of competing with each other and going all out to aim high will be created among the cadres.

There is a powerful call both inside and outside the party to strengthen the job responsibility system, to be strict in implementing the assessment of cadres, and to be strict and fair in meting out rewards and punishments; it is imperative to do these things. With a clear head, resolute attitude, and meticulous work, we should make this reform advance incessantly, develop, and become perfect.

GUANGMING RIBAO URGES BUILDING MODERN ARMY

HK180402 Beijing GUANGMING RIBAO in Chinese 8 Aug 83 p 3

[Article by Wang Jun: "Build a Modernized, Regularized Revolutionary Army With Chinese Characteristics"]

[Text] According to the spirit of the 12th CPC National Congress, strengthening the building of the Army means that we must integrate the universal truth of Marxism with China's concrete practice, take our own road, and build a modernized, regularized revolutionary Army with Chinese characteristics.

Since the 3d Plenary Session of the 11th CPC Central Committee, particularly since Comrade Deng Xiaoping took charge of routine work of the Central Military Commission of the CPC Central Committee, the whole party and the whole Army, in order to build our Army into a powerful, modernized, regularized revolutionary Army, have made great efforts to make the Army make great achievements in strengthening military training and ideological and political work, in improving the relationship between the Army and the government and between the Army and the people, in safeguarding border areas and defending the motherland, and in building socialism. The Army is smaller in size than before but more capable; remarkable achievements have been made in lowering the average age of cadres; progress has been made toward a combined Army in the organization and commanding of our Army; and scientific research in national defense and the development of sophisticated weapons have entered a new stage. Meanwhile, we have started new exploration on the problem of how to build a modernized revolutionary Army with Chinese characteristics. In order to speed up the building of a modernized, revolutionary Army with Chinese characteristics, we must make greater efforts in many fields at present and in the future.

It must be made clear that in building a modernized revolutionary Army with Chinese characteristics, we must follow the basic principles of Marxism on a proletarian Army. Replacing elitist armed forces, which are divorced from the people and are keen on suppressing people, by armed forces which are directly mastered by the people and are not divorced from the people, is the spiritual essence of the experience of the Paris Commune affirmed by Marx. As for replacing it, whether by armed people or by a new type of People's Army (regular Army), it depends on the situation and needs of class struggle. After the October Revolution, Lenin personally established the Red Army of the Soviet Union, and explicitly pointed out: The Soviet Union, a new type of country, "guarantees the existence of armed forces of workers and peasants, which, unlike the previous regular Army, are not divorced from the people, but are closely linked with the people." ("Selected Works of Lenin" Vol 3, p 308) Not being divorced from the people but instead closely linked with the people are the basic principles of Marxism which we must follow in building a modernized and regularized revolutionary Army with Chinese characteristics.

During the historical period of building a modernized revolutionary Army with Chinese characteristics, how can we keep our Army from never being divorced from the people and maintaining close links with them? The activities of soldiers and civilians jointly building "civilized villages" and "civilized streets," which have appeared in recent years, have not only carried forward the glorious tradition of our Army of supporting the government and cherishing the people and unanimity of soldiers and civilians, and restored and developed the previous relationship between our Army and people being just like fish and water, but also have greatly stimulated the building of socialist material civilization inside and outside the Army, the building of socialist spiritual civilization in particular. They are good methods for implementing the spirit of the 12th CPC National Congress and for carrying out comprehensive treatment and overall construction, good channels to establish and develop a new kind of relationship, which reflects socialist spiritual civilization, between the Army and government and between the Army and people, and important parts of strengthening the building of a modernized and regularized Army.

Learning science and culture, cultivating multitalented people for both the Army and localities are new things which appeared in the building of a modernized Army under the new period. As early as 6 years ago, Comrade Deng Xiaoping, according to Mao Zedong's military thinking and the reality of our Army, explicitly pointed out: It is necessary to "build the Army into a large school in which cadres can learn not only knowledge of modern war, but also knowledge of modern science and production, as well as political work and management. In this way, our Army cadres can bring into full play their role not only in Army building, but also in local work. They not only can fight, but also can bring into full play their role in a war and become qualified cadres both for the Army and localities." ("Selected Works of Deng Xiaoping" p 76) Comrade Deng Xiaoping's idea reflects the needs of the era and China's national condition. It must be realized that the construction for the four modernizations is a unified entity which promotes and complements each other. We must educate cadres and soldiers to earnestly study military knowledge, policies, and science and culture so as to build a powerful, modernized, and regularized revolutionary Army. They must, on the basis of performing their own duties and fulfilling various tasks for military training and war preparation, learn some professional knowledge and skill which they will need in the future when they are demobilized or transferred to civilian work, so as to train themselves into multitalented people for both the Army and localities. Only in this way can our Army become a great wall of steel guarding our motherland, and an important force for building socialist material civilization and spiritual civilization. This is a prime issue of strategic significance in building a modern and revolutionary Army with Chinese characteristics.

The fundamental problem for building a modern and revolutionary Army is that the weaponry of our Army must be modernized. To achieve this, we must proceed from China's national conditions and adhere to the attitude of seeking truth from facts. Vast territory and many troops, a wide range of topography and climate, great disparity between the south and the north, and between the east and west, these are several aspects of our country's national condition. For this reason, in modernizing our Army's weaponry, we can neither purchase foreign weaponry nor copy them, but must, based on self-reliance and according to our own strategic policy and guiding ideas, and our country's geography and climate, break a new path and manufacture modern weaponry to meet the needs of our Army. Poverty and insufficient financial power and scientific and technological strength, these are other aspects of our country's national condition. Under such circumstances, while developing weaponry, we must scientifically use our limited strength, selectively carry out scientific research, pilot projects and production in weaponry, and speed up the replacement of old technological installation with new ones so as to continuously strengthen our Army's defensive power to meet the needs of the new international situation.

The PLA is not only an Army for national defense, but also an Army for carrying out production. This is a glorious tradition of our Army and also an important part of building a modernized revolutionary Army with Chinese characteristics. The Army carrying out agricultural and sideline production is a practical action to take part in the national construction, an important measure for strengthening the building of the Army, and also a concrete expression of wholeheartedly serving the people.

We have already taken a gratifying step on the road of building a modernized, regularized, revolutionary Army with Chinese characteristics, but there are still many important problems which we must explore, research, and resolve.

WEI YUMING ON UTILIZING FOREIGN CAPITAL

OW170525 Beijing in Mandarin to Southeast Asia 0900 GMT 15 Aug 83

[Text] Dear listeners: In a recent interview with the press, Wei Yuming, vice minister of foreign economic relations and trade, talked about China's utilization of foreign capital and its present policies and principles in that regard. His statements follow. He talked first about achievements in using foreign capital after China implemented the policy of opening to the outside and prospects for and points of emphasis of China's foreign capital utilization.

He said China achieved tremendous results in foreign capital utilization in the 4 years after implementing the policy of opening to the outside. From 1979 to the end of 1982, China actually utilized U.S. \$16.2 billion worth of foreign funds. Several construction projects were undertaken in energy development, railroads, agriculture and education, and quantities of technology and equipment were imported. They played a positive role in helping our national economy readjust and accelerated our economic development.

Prospects are bright for China's utilization of foreign capital. To achieve the goal of quadrupling the annual total industrial and agricultural output by the end of this century, it is required that in the first 10 years we concentrate our financial and material resources on such fundamentals as energy resources and communications and technically transform many old enterprises -- in particular major enterprises -- so as lay a good foundation and prepare well for economic growth in the next 10 years.

China has decided that during the Sixth Five-Year Plan period from 1981 to 1985, we have to make preparations and do preliminary work for the 279 major construction projects to be completed in the Seventh and Eighth Five-Year Plan periods, in addition to carrying out hundreds of large and medium-scale construction projects. At the same time, we are going to import some 3,000 kinds of new technology to help carry out technical transformation in old enterprises.

To successfully fulfill the economic development plan, in particular, to solve such problems as insufficiency of funds and the backwardness of technology and management, it is necessary at present to expand the extent of foreign capital utilization to include importing new technology and advanced management methods. This objective requirement necessitates a comparatively faster increase in the next few years of cooperation between China and foreign countries in funds and technology.

Regarding the points of emphasis of China's use of foreign capital, generally speaking, foreign capital will be used for the state's major construction projects and for technical transformation of current enterprises. Medium-and long-term loans from foreign governments and international financial organizations will be used mainly on such projects as energy development, communications, agriculture, and some major basic industries requiring large investments and a long time to complete. Direct investment by foreign firms will be used to import new and suitable technology for technical transformation of extant enterprises, to develop some resources needed both at home and abroad, and to establish some tourism facilities. We will opt to import such kinds of technology and processes that we badly need, that can help effect technical transformation in an industry or a trade in its entirety, and that can help develop new products or expand our technical exports. Investments by foreign firms will be used mainly in coastal cities, in particular those cities having a better industrial foundation and transport facilities and that are close to Hong Kong and Macao. At the same time, we will encourage foreign firms to take part in interior and very remote area development, giving them certain preferential investment terms.

Referring to China's policy of soliciting direct investment from foreign companies, Wei Yuming said: An appropriate incentive policy is one of the key methods to take in more foreign capital. Since the adoption of the policy of opening to the world, our country has formulated a series of rational measures that have had a positive effect on soliciting foreign capital. This year our government has carried out a more flexible policy on joint ventures established with Chinese and foreign investment. With regard to the taxes to be paid by these ventures and the sale of their products on the domestic market, a number of flexible measures have been put into effect for the purpose of giving more preferential treatment to foreign investors.

As regards the tax policy, our country has promulgated the Income Tax Law for Joint Ventures With Chinese and Foreign Investment and detailed rules and regulations for the implementation of this law, and the Ministry of Finance has enacted some rules for preferential treatment to foreign investors. The tax rates stipulated in the above law and rules are moderate or even lower than those in foreign countries. Not only are the tax rates low, but recently the departments concerned have formulated regulations on tax reductions and exemptions, and are considering a new regulation to give further preferential treatment to investors, in particular to those investors who are Overseas Chinese or compatriots in Hong Kong and Macao. Meanwhile, necessary adjustments are being made to the import duty to be paid by joint ventures in order to reduce their burden.

The question of domestic sales of products made by joint ventures with Chinese and foreign investment is a matter of concern among foreign investors. To facilitate the development of such ventures, the Chinese Government will adopt some flexible measures to permit them to sell a certain percentage of their products on the domestic market. If through a joint venture a new technology is introduced into our country, certain preferential arrangements will be made for this joint venture to sell its products on the domestic market. If the product of a joint venture is urgently needed on the domestic market, or if it is an item that previously had to be imported, the proportion of domestic sales of the product can be increased appropriately or we can even let the product be sold mainly or totally on the domestic market. However, the methods for the domestic sales of such products should be worked out by the departments concerned of our country under a unified plan according to the provisions on the classification and stocks of commodities. Selling prices should be subject to the relevant regulations issued by the price-control department.

Finally, Wei Yuming talked about how China protects the interests of foreign investors. He said: In soliciting direct investment from abroad, our country has consistently kept to the principle of equality and mutual benefits. To protect the interests of foreign investors, our country has promulgated and put into effect some laws, regulations, and policies dealing with our economic relations with foreign countries. Under normal conditions, foreign companies can be assured of a certain amount of return on their investment. Our government has signed investment-protection agreements with many countries and is making contacts and negotiations with others in this regard. The purpose of these agreements is to protect the legitimate interests of investors. Of course, because our country has not had a long history of utilizing foreign capital, it will be some time before we can perfect our legislation on foreign economic relations, and we are now devoting our efforts to this legislative work. The departments concerned are considering a plan to work out in about 2 years the important and urgently needed laws and regulations governing the use of foreign capital and to enact as soon as possible the detailed rules for the implementation of these laws and regulations and the necessary supplementary statutes so that everything will have a legal basis.

Some foreign companies are worried about possible changes in our country's policy, fearing that their return on their investments may not be guaranteed. In my opinion, no country in the world has an unalterable policy. Rather, the policy is adjusted properly according to changes in the domestic and international situations. China is no exception. However, our general principle and policy on using foreign capital will not change. As for specific policies, we will make every effort to avoid changing them in a certain period of time. Even though we have to partially adjust certain policies on the use of foreign capital, such adjustments will not harm the interests of investors. We will respect and abide by the contracts that have been signed with foreign investors and approved by our government, and will take the necessary measures to ensure the legitimate interests of the investors even when related policies are adjusted.

YU QIULI, OTHERS ATTEND YOUTH FEDERATION OPENING

OW171021 Beijing XINHUA Domestic Service in Chinese 0207 GMT 17 Aug 83

[Text] Beijing 17 Aug (XINHUA) — The first meeting of the Sixth Committee of the All-China Youth Federation opened in Beijing on the morning of 17 August. Comrades Yu Qiuli, Ni Zhifu, Xiao Ke, Xu Deheng, Wang Renzhong, Liao Hansheng, Yang Jingren and Kang Keqing attended the opening ceremony. They extended warm greetings to the youth.

Hu Jintao, permanent president of the presidium of the meeting, presided over the opening ceremony. Yang Le, permanent president of the presidium of the meeting, delivered the opening address. He said: It is our noble duty to hold the banner of patriotism, advocate the spirit of unity, engage in the great undertaking of the four modernizations, and work to reinvigorate the Chinese nation. Inherited with the glorious tradition, the organizations of the federation and of youth will certainly develop their ability to the full by bravely shouldering the heavy duty entrusted by the party and people.

Keyum Bawudun, vice president of the Fifth Committee of the All-China Youth Federation, delivered a work report on behalf of the committee, entitled "Unite Youths of All Nationalities and From All Circles, Dedicate our Youth to the Reunification and Prosperity of the Motherland." The main tasks of the sixth committee of the federation, as outlined in the work report, are to hold high the banner of patriotism, unite in a most extensive way the youth of all nationalities and from all circles in the country, fully mobilize young people's enthusiasm in various fields, help them develop healthily, and strive for the reunification and prosperity of the motherland and for safeguarding universal peace.

Wang Shenxiang, alternate member of the Secretariat of the All-China Federation of Trade Unions, and Lin Liyun, president of the All-China Federation of Taiwan Compatriots, delivered greetings at the opening ceremony respectively on behalf of the National Women's Federation and All-China Federation of Trade Unions and of the China Association for Science and Technology, All-China Federation of Literary and Art Circles, All-China Federation of Returned Overseas Chinese and All-China Federation of Taiwan Compatriots.

Further on Meeting

OW171341 Beijing XINHUA in English 1305 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA correspondent Qin Xinmin) -- The All-China Youth Federation Vice-President Keyum Bawudun today rallied Chinese youth of all nationalities and all walks of life to form a patriotic united front in a spirit of patriotism. In a work report to the first session of the federation's sixth committee which opened here this morning, the vice-president said patriotism implies work for the socialist modernization, strive for the reunification of the motherland including Taiwan and oppose hegemonism in defence of world peace.

At the 8-day session the 523 members of the new committee will sum up the federation's work over the past four years and decide future tasks. The federation's constituent members include the Chinese Communist Youth League, the All-China Students' Federation, and the Y.M.C.A. and the Y.W.C.A. of China.

Keyum Bawudun in the report urged the federation to further the unity of intellectuals, minority nationalities, religious believers, compatriots from Taiwan, Hong Kong and Macao, Overseas Chinese and descendants of noted patriotic figures. The vice-president, of Uyghur nationality, said that of the 67 million people of 55 minority nationalities in China, about 70 percent were born after the founding of the People's Republic in 1949. He asked youth federations at all levels to care for minority young people, respect their customs and ways and help those living in areas inhabited by the Han nationality to overcome difficulties. In the past four years, he recalled, the federation has organized groups of minority young people to tour the country.

The vice-president called for respect and protection of young people's religious beliefs. He also asked to protect the rights of young nonbelievers and to oppose any attempts to force religious belief on young people.

He advocated greater unity with youth in Taiwan, Hong Kong, and Macao and Overseas Chinese young people through promoting exchanges with them in culture, science and sport and helping them deepen their understand the motherland. [as received] The federation should also help young people who have returned from Taiwan, Hong Kong, Macao and abroad and young family members of Overseas Chinese in their study, work and daily life.

Keyum Bawudun said the Chinese Government has declared its intention to recover sovereignty over Hong Kong and to maintain prosperity there. "We are convinced that the young people of Hong Kong are patriotic, therefore support the recovering of sovereignty and are willing to contribute to the reunification of the motherland."

Praising youth federations at various levels for helping young people in employment, self-education, love and marriage, he urged the organizations to protect the rights and interests of young people, cherish their creativity, oppose interference with their freedom of marriage and fight against maltreatment of young women.

Messages of congratulation were read at the opening ceremony by representatives of the All-China Federation of Trade Unions, the All-China Women's Federation, the China Association for Science and Technology, the China Federation of Literary and Art Circles, the All-China Federation of Returned Overseas Chinese and the All-China Federation of Taiwan Compatriots.

Present at the opening ceremony were Communist Party and state leaders Yu Qiulu, Ni Zhifu, Xiao Ke, Xu Deheng, Wang Renzhong and Liao Hansheng.

SONG RENQIONG ATTENDS STUDENTS' CONGRESS

OW171353 Beijing XINHUA in English 1324 GMT 17 Aug 83

[Text] Beijing, August 17 (XINHUA) -- China's fifty million university and middle school students were urged today by Lin Yanzhi, chairman of the All-China Students' Federation, to study hard to enable themselves to shoulder the historic task of modernizing the country and build it into a highly civilized and highly democratic socialist power. In a work report delivered at the opening session of the 20th national congress of the federation he pointed out the China needs speedy development and the nation needs to be fully vitalized. The students of the 80's must bravely carry out the task which has historically fallen onto their shoulders.

The congress is being attended by 665 representatives of 21 nationalities from across the country, including outstanding students, and Chinese students studying abroad, Overseas Chinese students and reform school students.

Federation Chairman Lin Yanzhi noted that Chinese students have become increasingly convinced of the socialist road by the country's rapid economic development, the raising of living standards and progress in the country's growth. These facts have given them much food for thought and their understanding of Marxist theory and communist ideology have been deepened. Consequently a growing number of students have applied to join the Communist Party and youth league.

Speaking about socialist ethics, he said that young Chinese have always been pioneers in building new social morality. He called on students to build up a new type of human relations under the slogan "start with me, now." Students should not only clear away decadent ideas left over by the old society, but should also be on guard against "spiritual pollution" from outside. Materially they must be able to resist temptations; in art and music, they should cultivate their taste to discern the healthy from the decadent; and theoretically they should learn to distinguish between falsehood and truth.

Lin Yanzhi also called on students to arm themselves with knowledge, train themselves in logical deduction and practise in order to become competent builders of modernization.

The students' federation, he noted, should enrich student life with a variety of activities such as quizzes, speaking contests, sports meets and theatrical festivals. They should also put students' demands before college and school authorities and help improve campus life. He asked the students' federation and student union to understand and serve the students and make the student union a "home for students."

In his congratulatory speech, Wang Zhaogou, first secretary of the Chinese Communist Youth League Central Committee, said that the Communist Youth League and students organizations have always worked in close coordination. He hoped that youth league members among students would act as backbones in student organizations, and youth league organizations would support student unions in their work.

The congress will discuss and revise the federation's Constitution and elect a new leading body.

Party and state leaders Song Renqiong, Qiao Shi, Han Xianchu and Vice-Chairman of the Chinese People Political Consultative Conference Fei Xiaotong attended today's meeting.

PARTY SCHOOLS HOLD ANNUAL MEETING ON PHILOSOPHY

OW171347 Beijing XINHUA Domestic Service in Chinese 0748 GMT 17 Aug 83

[Excerpts] Guiyang, 17 Aug (XINHUA) — The fourth annual meeting on philosophy, which was held in Zunyi recently and attended by party schools from all over the country, called on party schools at various levels, while conducting systematic teaching on Marxist philosophy, to take the Marxist standpoint expounded in the "Selected Works of Deng Xiaoping" as the guideline in making in-depth exploration into the question of building socialism with Chinese characteristics in order to raise the teaching of philosophy to a new level.

More than 200 responsible persons, specialists, professors, and theoretical workers from the Central Party School, party schools of all provincial, municipal and autonomous regional party committees and departments concerned attended the meeting. They earnestly studied the "Selected Works of Deng Xiaoping" and the guidelines of the national propaganda work conference. They pointed out that the "Selected Works of Deng Xiaoping" has inherited and developed Mao Zedong Thought and has made positive contributions to enriching the treasure-house of Marxist philosophy. Therefore, the teaching of philosophy, after the regularization of party school education, must reflect the spirit of the times. In order to enrich the content of courses, it is necessary to take the Marxist standpoint expounded in the "Selected Works of Deng Xiaoping" as the guideline and explore, from the philosophical viewpoint, the important task of "building socialism with Chinese characteristics." Only by doing so can we help the students deepen their understanding of the line, principles, and policies formulated by the CPC Central Committee since the convening of the 3rd Plenary Session of the 11th CPC Central Committee, raise their consciousness in implementing the guidelines of the 12th CPC National Congress, and strive to create a new situation in all fields of socialist modernization.

On eve of the opening of the meeting, Wang Zhen, member of the Political Bureau of the CPC Central Committee and president of the Central Party School, sent a letter to the meeting participants, urging them to make the meeting a great success and contribute more to achieving the regularization of party school education.

The meeting was held under the auspices of the Central Party School's philosophy teaching and research section and the Guizhou Provincial CPC Committee's Party School.

ARMY PAPER REPORTS PLA WORK IN FAMILY PLANNING

OW180254 Beijing XINHUA in English 0132 GMT 18 Aug 83

[Text] Beijing, August 18 (XINHUA) -- A thousand medical teams organized by the Chinese People's Liberation Army are helping local medical centers promote birth control, the LIBERATION ARMY DAILY reports today.

In addition to these groups the Army has also set up 1,600 advice centers to publicize the importance of population growth control, the party's policies and principles on birth control and population quality, and to offer scientific knowledge on birth control in the countryside, remote mountainous areas, and island fishing communities. They have also helped local medical centers to train specialists in charge of birth control.

All the medical teams have attached great importance to the health of women and children. Over the past few months they have given medical examinations to 330,000 women and children and cured over 30,000 cases of gynecological disease.

CONFERENCE ON COMPUTER DEVELOPMENT ENDS

OW170949 Beijing XINHUA in English 1210 GMT 16 Aug 83

[Text] Beijing, August 16 (XINHUA) -- China will give priority to the development of mini-computers in the near future, it was decided at an 8-day national conference on technical policies for developing electronic computers and large-scale integrated circuits that closed here yesterday.

Held by the State Science and Technology Commission, the State Planning Commission and the State Economic Commission, the conference was attended by computer experts from all over the country. They advocated that mini-computers are right for China in being reasonable in price and easy to operate and popularize.

The experts proposed that the government should first popularize mini-computers while also taking an active part in developing large and medium-sized ones.

China now has about 10,000 mini-computers. They are used in more than 100 fields such as industrial production, enterprise management, engineering designing and scientific research.

SHANXI'S LI LIGONG ADDRESSES DISCIPLINE FORUM

OW121949 Beijing Domestic Service in Mandarin 1200 GMT 11 Aug 83

[Text] Li Ligong, secretary of the Shanxi Provincial CPC Committee, said at a provincial forum on discipline inspection on the morning of 10 August: It is necessary to run the party in a serious, not a perfunctory, manner. The whole party should be mobilized to vigorously rectify the party style. Party committees at various levels should first strengthen their leadership over the discipline inspection work and then effectively support discipline inspection cadres in their work and conscientiously try to solve problems facing discipline inspection departments.

Li Ligong pointed out: Party committees at various levels should rectify the party style and correct unhealthy tendencies as an important task in making preparations for an overall consolidation of the party organizations. They should put this task on their agendas. He said: Standards of social conduct cannot possibly be improved without rectifying the party style. Otherwise, bad elements would be arrogant, good persons would be bullied and the masses of people would feel discouraged. This would make it impossible to arouse the enthusiasm of the masses.

In strengthening their leadership over the discipline inspection work party committees at various levels should first staff the leading bodies of discipline inspection departments with competent cadres; they should do a particularly good job in selecting cadres for the number one and number two positions in such leading bodies. They must staff the discipline inspection departments with cadres with a strong party spirit and a good style of work who uphold principles, are impartial, dare to wage struggle and are good at doing so. They should allow resolute, impartial and incorruptible comrades who can make a breakthrough to do the discipline inspection work.

On the questions of the difficulty of investigating cases and supervising party committees at corresponding levels, Li Ligong said: Discipline inspection departments are empowered to investigate violations of the law and discipline by any departments or cadres, including party committees at corresponding levels. This power and duty is vested in them by the party constitution. Discipline inspection cadres should have the courage to investigate cases; once they are sure that there is a case, they should keep investigating it until the whole thing comes to light, no matter who is involved in the case. Under no circumstances is anyone allowed to make things difficult or to shift responsibility onto others. Persons or things proved through investigation to be involved in a case must be dealt with seriously. It is absolutely impermissible to be dilatory in handling a case or to argue back and forth, much less to shield or be partial to anyone.

SHANXI PEOPLE'S CONGRESS ADOPTS APPOINTMENTS

SK020718 Taiyuan SHANXI RIBAO in Chinese 12 Jul 83 p 1

[Text] On 2 May 1983, the First Session of the Sixth Provincial People's Congress Standing Committee adopted the appointment of Ma Guishu concurrently as secretary general of the provincial People's Congress Standing Committee.

On 11 July 1983, the Second Session of the Sixth Provincial People's Congress Standing Committee adopted the appointments of Zhang Jincai [1728 6651 2088], Wu Rui [0702 6904], and Cao Youcheng [2580 2589 2052] as deputy secretaries general of the provincial People's Congress Standing Committee.

SHANXI CPPCC MEETING ENDS ON 11 JULY

SKO20838 Taiyuan SHANXI RIBAO in Chinese 12 Jul 83 p 1

[Excerpts] The second enlarged Standing Committee meeting of the Fifth Provincial CPPCC Committee ended on the afternoon of 11 July. Committee members participating in the meeting unanimously adopted the report made by Wu Guantang, chairman of the provincial CPPCC Committee, "Concerning the Opinions on the Arrangements for the Provincial CPPCC Work."

In his report, Wu Guantang stressed the necessity to conscientiously study and implement the guidelines of the First Session of the Sixth National CPPCC Committee in line with reality, to regard Comrade Hu Yaobang's remarks "Do not forget the unity and struggle, and work for the prosperity of China" as the general guiding principle for the work in the future, to make concerted efforts to work arduously, and to strive to create a new situation in the CPPCC work.

Yesterday's meeting also adopted the appointments of Fan Quanshui [2868 3123 3055], Zhang Hongyi [1728 1738 3015], He Dehong [6320 1795 1347], and Li Liaoyuan [2621 5578 3293] as deputy secretaries general of the Fifth Provincial CPPCC Committee; the appointment of Zhang You [1728 0645] as director in charge of compiling historical accounts of past events; the appointments of Tao Jian [7118 0256], Yang Mingbao [2799 2494 5508], Shi Xingsan [1597 2502 0005], Wang Ruisheng [3769 3843 3932], and nine other persons as the component members of the study commission under the provincial CPPCC Committee; and the appointments of Zhu Weihua, Wang Dingnan, and 11 other persons as the component members of the commission in charge of researching the accounts of past events.

Speaking at the meeting were Tao Jian, Ling Daqi, Pan Ruizheng, and Yao Dianzhong, vice chairmen of the provincial CPPCC Committee. Vice Chairman Shi Xingsan and two other persons delivered prepared speeches.

BRIEFS

SHANXI ALUMINUM PLANT -- The first phase of the construction of the Shanxi aluminum plant started on 1 July. This plant is a nonferrous integrated enterprise which covers an area of 634,000 square meters. In the first phase of construction, the Xiaoyi aluminum mine, the Longmenshan limestone mine, an alumina plant and its public facilities, a thermal powerplant, a Qingjianwan water source, Qingjian living quarters, a Huang He water purification plant, and a cement plant will be built. They will be completed in the first half of 1986 and will be put into operation in the latter half of 1986. The plant's major products are alumina, electrolytic aluminum, aluminum products, and cement. [Summary] [Taiyuan SHANXI RIBAO in Chinese 3 Jul 83 p 1 SK]

SHANXI INDUSTRIAL PRODUCTION -- In the first 6 months of the year, total industrial output value of Taiyuan City, Shanxi Province, reached 2,393,450,000 yuan, an increase of 18.6 percent over the corresponding 1982 period and 54.3 percent of the annual target. According to statistics compiled at 77 state-run industrial enterprises, the accumulated profits increased by 89.1 percent over the corresponding 1982 period, and the profits handed over to the state increased by 60.03 percent. Along with the development of production and the increase of economic results, tax revenue also increased. In the first half of this year, total city tax revenue amounted to 196.46 million yuan. [Summary] [Taiyuan SHANXI RIBAO in Chinese 11 Jul 83 p 1 SK]

GANSU FACTORY'S UNAUTHORIZED PRICE RISES 'CURBED'

HK101405 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 9 Aug 83

[Text] The Qingyang prefectural petrochemical works was involved in the unhealthy trend of raising oil products without authorization and of selling oil products by itself in large quantities. This unhealthy trend was finally curbed on 8 August after the factory was repeatedly checked and admonished by the Qingyang Prefectural Administrative Office and other concerned departments. The public strongly demanded that concerned leading departments seriously and thoroughly investigate and handle problems concerned as quickly as possible.

At the beginning of last June, the Qingyang prefectural petrochemical works, without authorization, raised the price of each ton of petroleum from 560 yuan to 700 yuan, of each ton of kerosene from 520 yuan to 563 yuan, and of each ton of diesel oil from 240 yuan to 500 yuan. By 14 July, it had supplied the Qingyang prefectural fuel company with a total of over 890 tons of petroleum, kerosene, and diesel oil, thus receiving from the latter 111,700 yuan more than it should. The factory also sold by itself some 2,100 tons of various oil products, receiving 447,200 yuan more than it should by means of raising prices.

On 1 July, the provincial Discipline Inspection Commission and the provincial Pricing Commission issued a circular on strengthening control over the Qingyang prefectural chemical works' selling oil products by itself and demanded that the factory stop selling oil products by itself. However, the factory continued its sales.

After the State Council and the Central Discipline Inspection Commission issued an emergency circular on 3 July, the Qingyang petrochemical works continued to sell oil products at high prices. The Qingyang Prefectural Pricing Committee sent a work team to investigate the problems of the factory's raising prices without authorization. However, leaders of this factory did not care a pin and their attitude was not serious. The public strongly demanded that concerned departments and leaders take prompt measures seriously and thoroughly to handle and solve problems of this factory's raising prices without authorization.

GANSU RADIO ON FACTORY'S PRICE HIKES

HK101407 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 9 Aug 83

[Station commentary: "Refusing To Follow Instructions Is Not Permitted"]

[Text] Since the State Council and the Central Discipline Inspection Commission issued, on 3 July, an emergency circular on resolutely stopping raising prices of means of production without authorization and arbitrarily exacting charges from construction units, localities throughout the province have seriously implemented this circular and have done a great deal of work to stop these two unhealthy trends which are harmful to economic construction. Preliminary and gratifying achievements have been made.

Viewed from inspection and investigation conducted recently in our province, units which have raised prices of commodities without authorization are quite a few. However, cases like the Qingyang prefectural petrochemical works which stuck to its own way, refusing to follow instructions more than a month after the State Council and the Central Discipline Inspection Commission had issued the emergency circular and after concerned departments had issued special documents to it, are indeed uncommon. Its erroneous attitude of ignoring the party and administrative discipline cannot be tolerated.

Leading cadres of the Qingyang prefectural petrochemical works put aside the interests of the state and the whole and thought that they were acting entirely in the interest of their enterprise and those who worked there. They failed to understand that the result of everybody's trying to raise prices would certainly lead to universal increase of industrial production costs, disruption of planned economy, undermining of key construction projects, and doing harm to the long-term interests of individuals and collectives.

Inspected and supervised by the Qingyang Prefectural Administrative Office and other concerned departments, the problem of the Qingyang prefectural petrochemical works' raising prices without authorization and selling oil products by itself has been solved. However, the broad masses of people are waiting to see what step will be taken next.

Leading cadres of the Qingyang prefectural petrochemical works should draw a deep lesson from this event and continue to lead the workers and staff members of the factory in striving to raise economic results, run the enterprise properly, and make greater contributions to the state.

GANSU MEETING URGES PLANTING GRASS, TREES

HK130144 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 12 Aug 83

[Excerpts] An enlarged meeting of the Gansu Provincial CPC Committee's Standing Committee, held from 8 to 9 August, decided to resolutely respond to the call of leading central comrades to plant grass and trees, transform the mountains and rivers, eliminate poverty and make the people rich, and change the face of Gansu.

The meeting seriously studied the instructions of leading central comrades on planting trees and grass, developing animal husbandry, eliminating poverty and making the people rich, and changing the face of Gansu. The participants unanimously held: This instruction accords with Gansu reality and is extremely important. Based on the present and looking to the future, it has solved an important problem in guiding ideology for construction in Gansu that has not been completely solved over many years; that is, we should get away from taking grain as the key link, base our work on Gansu realities, regard planting grass and trees and developing animal husbandry as the fundamental matters for transforming Gansu, and thus promote the whole of economic construction. This is an important strategic policy decision based on the realities.

After enthusiastic discussion, the meeting put forward a number of initial ideas and decided that the following tasks should be done well, in preparation for large-scale planting of grass and trees throughout the province next year:

1. Make ideological preparations. It is necessary to carry out ideological mobilization in loving and building Gansu, planting trees and grass, and developing animal husbandry.
2. Make planning preparations. Planting trees and grass, developing animal husbandry, and transforming the face of Gansu will require 20 or 30 years of hard work. It is essential to do a good job in all-round planning.
3. Make preparations in typical examples. A number of typical examples in planting trees and grass, developing animal husbandry, and eliminating poverty and making people rich have already appeared. These are very convincing and attractive. We should do very well in summing up and popularizing their experiences.

4. Make technical preparations. We must rely on scientific and technical guidance in planting trees and grass and developing forestry and animal husbandry. We must attach importance to developing and importing talent.

5. Make preparations in organizational leadership. The party committees and government at all levels must strengthen leadership over planting trees and grass. They must consider the establishment of all types of economic and service companies and science and technology centers.

The meeting proposed: At present, we should further relax the policies. We must publicize in depth and implement the policy that whoever plants, owns, and that this is to be maintained for a long time. We must expand private and responsibility mountains. We should contract out to households all barren mountains, slopes, and gullies suitable for household operations, break down all types of restrictions, and get a good grasp of planting trees and grass (?during the rainy season). At the same time it is essential to protect the existing grass and trees and resolutely curb the malpractice of destroying them. We must punish illegal and criminal acts according to law, and deal with them severely.

The meeting also decided to convene a provincial CPC Committee Work Conference in the near future to study the instructions of leading central comrades and discuss in depth their implementation.

YOUNG PEOPLE VOLUNTEER TO WORK IN QINGHAI

OW110905 Beijing XINHUA in English 0804 GMT 11 Aug 83

[Text] Beijing, August 11 (XINHUA) -- One quarter of Qinghai Province's more than 2,000 school graduates have applied for work in rugged and remote areas of the northwest China plateau, a front page story in today's PEOPLE'S DAILY reports.

The applications have been received after Communist Party General Secretary, Hu Yaobang's recent inspection tour of the province, during which he urged young people to form a vital force and open up the highland, soon to be the focus of China's capital construction.

The paper says Chen Guangyu, a 21-year-old graduate from the Qinghai School of Finance and Economics, gave up the home-leave holidays allowed him after leaving school and reported for work at Xitieshan in the Qaidam Basin as soon as he heard Hu's call over the radio. The PEOPLE'S DAILY reports that Hu Yaobang's call has renewed the hearts and minds of the province's 500,000 young people of all nationalities. Qinghai's youth are determined to contribute their due share to the development of the highland, it adds.

"Hu Yaobang's call has strengthened my resolve to stay on in Qinghai," said a 20-year-old youth league member, Wang Zhengping, who was assigned to work in a tree nursery after graduating from a college of forestry in east China's Shandong Province last September. "Qinghai has a bright future, indeed," he remarked. "Every young man or woman will grow to be useful in the development drive."

Others among the more than 200,000 young people who have returned to the countryside are also reported to have made similar resolutions. "There is also a bright future to do farming," they said.

"Much remains to be done in scientific farming, in the transformation of mountains and rivers and in the development of rural enterprises. [Quotation marks as received]

More than 3,000 young people in a people's commune have organized themselves, in a drive to harness the Yellow River, the PEOPLE'S DAILY says. Worksites in Qinghai's salt fields, hydroelectric power projects, mines and oil fields have become new battle grounds for young people who are determined to do their best to live up to the expectations of China's older generations, the paper reports.

GRADUATES, YOUNG PEOPLE VOLUNTEER FOR QINGHAI

OW170953 Beijing XINHUA in English 0230 GMT 17 Aug 83

[Text] Xining, August 17 (XINHUA) -- Hundreds of Chinese youths have expressed their willingness to work in Qinghai Province, northwest China, since party leader Hu Yaobang's statement on the area's development was published on August 3. By August 13, 488 people in 20 provinces, municipalities and autonomous regions had written or sent cables to the Qinghai Provincial Party Committee or the provincial government, volunteering to work in Qinghai.

Some of the applicants are students graduating from colleges or vocational schools this year, according to a spokesman for the provincial government. Others are teachers, technicians and professionals.

In a speech made during an inspection tour of Qinghai last month, Hu Yaobang, general secretary of the party Central Committee, envisaged a shift of the country's construction efforts to China's traditionally backward northwest. He urged Qinghai local people to do everything possible to pave the way for the shift, and called upon young people in other parts of China to join hands with local residents in the new drive.

Twenty-three-year-old Zhang Quanchen, an assistant veterinarian in Shandong Province, wrote to Qinghai authorities twice. He said he was willing to work all his life in a pastoral area inhabited by people of the Tibetan nationality.

QINGHAI MILITARY DISTRICT STUDIES HU SPEECH

HK140437 Xining Qinghai Provincial Service in Mandarin 1100 GMT 13 Aug 83

[Excerpts] Members of the CPC Committee of Qinghai Military District and some members of the provincial CPPCC recently spent some time studying and discussing the important speech of Comrade Hu Yaobang. They resolved to take root on the plateau and contribute to the development of Qinghai.

Members of the CPC Committee of the Military District held discussions centering on promoting the building of the Army and developing Qinghai. Members of the committee include veterans who have spent several decades on the Qinghai plateau and newcomers from elsewhere. During their study, they examined themselves in light of the speech, and resolved to brace their revolutionary spirit, take deep root on the plateau, work hard, and make contributions.

Members of the committee who have not been in Qinghai long declared: We will love the Qinghai Plateau and work hard amid the difficult environment. We will learn from the spirit of leading central comrades in carrying out deepgoing investigation and study, go down to the grassroots to get hold of first-hand material, and promote Army building and militia work.

QINGHAI: HUANG JINGBO ON KEY CONSTRUCTION PROJECTS

HK130211 Xining Qinghai Provincial Service in Mandarin 1100 GMT 12 Aug 83

[Excerpts] Comrade Huang Jingbo made a speech on behalf of the provincial CPC Committee at a work conference of the committee on 10 August, stressing the importance of concentrating materials and finances to ensure key construction projects. Comrade Huang Jingbo spoke on a number of major current problems in the province's economic construction and analyzed a number of issues to be further clarified in guiding ideology for the province's economic construction in the future. Comrade Huang Jingbo focused on four measures to be grasped in the province's current economic construction work:

1. Strictly control the scale of capital construction and seriously take stock of projects under construction. It is necessary to resolutely halt or suspend projects not covered by the plan. From now on, the banks are not allowed to lend or allocate funds for projects not covered by the plan, and also for projects covered by the plan which have been arbitrarily expanded, no matter which department or individual approved them; the materials departments are not allowed to supply materials, and the design departments are not allowed to design such projects; and the construction departments are not allowed to assign construction forces for them.
2. Concentrate the limited finances and materials to ensure the smooth progress of key construction projects. The financial and accounting departments must help the enterprises to set up economic responsibility systems and put them on a sound basis, and strengthen control of production costs and various basic work.
3. Strengthen centralization and unity and resolutely curb the two malpractices. We must organize forces to carry out a check on each key construction project and resolutely curb phenomena of indiscriminate exaction of charges.
4. Get a good grasp of basic work in the enterprises and vigorously improve their quality. This means that every enterprise must shift its focus to improving economic results, cutting production costs, and improving product quality. We must do a good job in consolidating the enterprises, readjust the leadership groups, improve management, strengthen ideological and political work, and continually improve enterprise quality.

Comrade Huang Jingbo also stressed: We must brace our spirit, do our work thoroughly well, and create conditions for the large-scale development of Qinghai.

QINGHAI OFFICIALS SPEAK ON WORK STYLE, CONSTRUCTION

HK150300 Xining Qinghai Provincial Service in Mandarin 1100 GMT 14 Aug 83

[Excerpts] How should we go about improving economic results, supporting key state construction projects, and ensuring their completion? Provincial CPC Committee Standing Committee member Yin Kesheng stressed in a speech to the provincial CPC Committee work conference: Leading comrades must seriously improve their work style, go deep into reality to investigate and study, and command things and solve problems on the spot.

Comrade Yin Kesheng said: Judging by the situation in Qinghai's industry and communications system, it is extremely important to improve work style. How should we go about this?

First, the new leadership groups should have new work style and achieve new improvement in work. The situation we find now is: There are large piles of documents, an enormous amount of meetings, and people are totally immersed in documents and meetings, have no clear idea of conditions in the lower levels, and come out with vague generalities. All this harms the work without benefiting it at all. It is imperative to change this state of affairs. When grassroots comrades go to the organs with problems, certain comrades there just talk like bureaucrats and lack the spirit of supporting and helping the grassroots comrades in solving difficulties. The leading organs at all levels must change their bad work styles and meet the demands posed by the new situation.

Second, it is necessary to strictly observe government discipline and handle problems in a proper and decisive manner. It is impermissible to pass the buck at each other and fail to solve the problems for a long time. At present, it is very difficult for an enterprise to solve a problem because the officials are all busy doing something else, so nothing gets done. In some cases people refuse to implement the plans, fulfill the contracts, or pay attention to decisions. They will act if the decisions benefit them, otherwise they will not; they proceed entirely from the interests of their own departments. This is absolutely impermissible.

Third, the departments in charge must institute job responsibility systems.

Speaking at the same conference (Li He), secretary of the CPC Committee of the No 4 bureau of the Ministry of Water Conservancy and Electric Power, said: The whole country is now working on key construction projects. How are these to be handled? We must integrate study and implementation of Comrade Hu Yaobang's important speech with the spirit of ensuring key state construction projects, base our efforts on the present, and look ahead. We must ensure the fulfillment of this year's capital construction plans and speed up the construction of Longyang Gorge power station, and also make full ideological, organizational, material, and technical preparations for instituting the flow process in accordance with the state plans and actively preparing the construction of Lijia Gorge and other large hydroelectricity stations. We should strive to quadruple the installed generating capacity by the end of the century.

Comrade (Li He) spoke on five measures for carrying out key construction work. He said: To create a new situation, we must have the people and leadership groups to do so. Second, we must fulfill this year's capital construction, and guarantee the quality of the projects and production safety. Third, we must speed up enterprise consolidation, further perfect and implement economic responsibility systems, and straighten out labor discipline. Fourth, we must step up ideological and political work and teach the workers to love the northwest and hydroelectricity and to work hard amid difficulties for the cause of developing the motherland's hydroelectricity. Fifth, we must build production and livelihood bases in accordance with the overall development plan, and work out long-term schemes for the upper reaches of the Changjiang. We should resettle old cadres and workers on retirement, and solve the worries of those who are working, so that the workers will take root in the northwest and work with minds at ease.

SHAANXI ORGANS DISCUSS POLITICAL, IDEOLOGICAL WORK

HK170858 Xian Shaanxi Provincial Service in Mandarin 0500 GMT 17 Aug 83

[Text] From 2 to 13 August, the CPC Committee of the organs directly under the Shaanxi Provincial Government held a meeting on ideological and political work.

The meeting made preparations for creating a new situation in ideological and political work in provincial organs and for the forthcoming rectification of the party. During the meeting, the participants conscientiously studied the "Selected Works of Deng Xiaoping" and, on the basis of grasping the essence of the documents, laid particular stress on the study of "the whole party should take the overall interest into account and push forward the national economy" and other important articles. In light of the realities in their work and thinking, the participants summed up their experiences and lessons so as to raise their ideological and theoretical levels. They held that in order to strengthen political and theoretical study among the party member cadres and adhere to the ideological line of seeking truth from facts, it is necessary to make continuous efforts to eliminate leftist influence and straighten out the ideological line. Only in this way can we implement the party's policies and principles more effectively and maintain unanimity with the CPC Central Committee. The CPC Committee of the organs directly under the provincial government urged that the CPC committees and organizations of all organs should closely follow the spirit of the relevant instructions of the CPC Central Committee, make investigation and study, unify thinking [words indistinct].

XINJIANG LEADER PRAISES PRC'S POLICY ON RELIGION

OW131049 Beijing XINHUA in English 0732 GMT 13 Aug 83

[Text] Urumqi, August 13 (XINHUA) -- A veteran Islamic leader said here today he was satisfied with China's current policy on religion and hoped it would continue. Xilipujiang, 62, an Imam for 36 years, is now serving in the Dayanghang Mosque in Urumqi, capital of the Xinjiang Uygur autonomous region. The silver-bearded Imam said the interruption of religious life during the ten-year "Cultural Revolution" made him feel the present normal religious life was all the more precious.

Xinjiang has more than 50 percent of China's 13 million Muslims, mainly of the Uygur, Kazak and Hui nationalities. The Dayanghang Mosque, built more than a century ago, is one of the 162 mosques in the city. At present, there are 14,000 mosques in the autonomous region, according to the regional Islamic Association. In the areas densely populated by Moslems, each production team of 200-300 persons has a mosque.

While talking over Hami melons and grapes, Xilipujiang pointed at two oil paintings of Arab mosques, saying he visited Egypt for a month last year. "The government earmarked 10,000 yuan to repair this mosque," he added. In the 20-square-meter reception room, dozens of Islamic scripture books stood on bookshelves. Many of his books were burned during the "Cultural Revolution", he said, but many new ones have been published in recent years.

An official of the regional Islamic Association said more than 200,000 volumes of Islamic scripture, including 80,000 copies of the Koran in Arabic, have been circulated in the country since 1980, when the Islamic Association resumed its activities. "A Uygur edition of the Koran will come off the press very soon," the official said.

The local government provides salaries to all, and subsidies to some of the 15,000 professional religious personnel in the region, according to Mamat Sait, director of the religious division of the Xinjiang Nationalities Affairs Commission. An Imam usually gets a monthly allowance of around 120 yuan. Subsidies especially set aside by the government total 726,000 yuan each year in the region. The government has also allocated 600,000 yuan to build or renovate mosques, Mamat said. Mamat added that several measures have been taken to help train young religious personnel:

- Establishing a Koranic college in Urumqi;
- running more training classes for Imams in service. 60 imams have been trained so far;
- allowing Standing Committee members of the regional Islamic Association each to take two or three manlas -- Islamic students. There are now one hundred manlas;
- sending 15 youths to study in the Beijing Koranic College and three to institutions in Egypt.

The political status of religious personnel is guaranteed, Mamat said. 1,930 religious personnel have been elected deputies to people's congresses at various levels or members of the national or regional committees of the Chinese People's Political Consultative Conference.

XINJIANG PLA UNIT CARES FOR MINORITY PERSONNEL

HK120217 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 11 Aug 83

[Excerpts] The CPC Committee of a certain unit of the Urumqi PLA units takes good care of the growth of the minority-nationality fighters, thus further strengthening nationality unity and promoting the building of the unit. This unit is composed of cadres and fighters of six nationalities, including Uygurs, Mongols, Huis, Zhuangs, and Hans. The unit CPC Committee attaches great importance to helping the minority-nationality fighters enhance their political and ideological awareness. The committee has ordered minority-language papers and magazines for each company, and organized everyone to watch and listen to minority language television and radio broadcasts and to read literature and art works with strong ideological meaning.

The unit also regularly dispatches people to visit the fighters' homes, to integrate education in the unit with education in the home. Not long ago a responsible comrade of the political office visited the homes of some minority-nationality fighters, to report on their performance in the unit; he also brought back recorded messages from their parents. Many Uygur fighters wept as they listened to the tapes. They pledged not to disappoint their families and to work hard to be fighters with ideals, morality, knowledge, and discipline.

The minority-nationality fighters in this unit are currently progressing very rapidly. Some 75 percent of them have been commended and awarded, 70 percent have joined the party or CYL organization, and 60 percent have been assessed pace-setters or progressive individuals.

XINJIANG BUILDING MATERIALS INDUSTRY MEETING

HK110318 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 10 Aug 83

[Text] The regional Building Materials Work Conference which concluded this afternoon decided that it is essential to adopt various effective measures to do everything possible to speed the development of the region's building materials industry, and in particular to get a good grasp of production of cement, of which there is a great shortage, so as to ensure the smooth progress of the four modernizations drive in Xinjiang.

The region's building materials industry has developed very fast in recent years. However, due to the rapid development of construction undertakings, the main building materials produced in the region are very far from meeting the needs of its construction. In order to produce more cement and other building materials, the meeting decided after serious discussion to adopt the following measures:

1. Teach the workers to firmly establish the overall concept and work hard to increase production. In the second half of this year, apart from fulfilling the task of producing 1.2 million tons of cement handed down by the regional authorities, it is necessary to work to produce a further 100,000 tons. The region will provide a 25 yuan subsidy to the production units for every ton by which they overfulfill the plan.
2. Get a good grasp of technical transformation in the existing enterprises. We should as far as possible achieve normal operations at the No 3 kiln of Xinjiang cement plants at Kashi, Hetian, Changji and so on.
3. Get a good grasp of the completion, acceptance, and trial-production of new or expanded cement plants at Bortai Monggol Autonomous Prefecture, Hami, Emin, and Geding.
4. Act to block loopholes and resolutely put a stop to the malpractices of indiscriminately hiking prices and exacting charges.

Regional Vice Chairman Tuohuti Shabier spoke at the meeting.

XINJIANG PREFECTURE ON USSR BORDER PROSPERS

OW170941 Beijing XINHUA in English 0824 GMT 17 Aug 83

[Text] Kashi, August 17 (XINHUA) All roads lead to the bazaar in Kashi, China's westernmost city, 300 kilometers from the Sino-Soviet border in the Xinjiang Uygur Autonomous Region.

Highways leading to the weekly Toshiketarwaz market in this outpost on the ancient silk road were crowded with donkey carts, push carts, bicycles, tractors and trucks steered by colorfully-dressed Uygurs. Some seventy to eighty thousand people would throng the bazaar that day, striking deals worth 200,000 yuan (about 100,000 dollars) according to Tulson, deputy director of the Kashi Administrative Bureau of Industry and Commerce.

Among the crowds in the picturesque, mosque-studded city was Hasmu Usman, a smiling Uygur peasant from the village of Awati. He said he had 750 yuan in his pocket -- enough, for the first time in his life, to buy an ox. Hasmu Usman explained that he had contracted to farm just over half a hectare under the region's responsibility system, and had established sidelines in vegetables and fruit. With the help of a horse and a donkey, he harvested 4.7 tons of wheat this year, and would earn about 4,000 yuan from his watermelons and other produce, he said.

Nur Umar, also from Awati, paid 550 yuan to buy a white horse. "I couldn't even afford a donkey in the past, let alone a horse," he said before riding away on his new purchase.

The two were typical of the more than 2 million prospering peasants and herdsmen in the Kashi prefecture. Ninety-nine percent of Kashi's production teams have been drawn into the responsibility system this year, 24 percent more than a year ago. The system gives them full control over their profits and losses after the delivery of contracted quotas of produce to the state.

The local Uygurs have benefited immensely from the system, the Taiwakulimusas, a family of 13 in the town of Kumusilik earned 15,000 yuan (7,500 U.S. dollars) last year -- about 1,156 yuan apiece, or four times the national average for peasants and herdsmen. The family earned a quick profit of 1,600 yuan by fattening 16 head of cattle and 5,000 yuan more by making leather hats in their spare time. They built three new houses and bought wristwatches for all five sons, in addition to a sewing machine and bicycles -- all local luxuries.

The prosperity of the Kashi bazaar stems from an ever-growing rural commodity economy which has been taking shape since late 1978. At its stalls were displayed local handicrafts including embroidered bags to be slung on horseback or across the shoulder, muslim caps, felt blankets, carpets, forks, ropes, knives, iron ware and wooden basins. Some peasants sold their handicrafts to buy raw materials from the market for re-processing. Some sold felt blankets and purchased wool for more production.

Ailisa Mudin, a peasant from Sheman Commune on the city's outskirts, sold garlic from his private plot and bought dresses -- rose-colored for his daughter and apple-green for his wife. An old Uygur woman sold Muslim caps she embroidered herself and bought silk for each of her two daughters.

Saidinwumar, an elderly peasant from Shufu County, sold an ox for 800 yuan. The money would be used for his son's wedding, he said, adding that he sold another ox last year to build a new house.

ROK COURTS SENTENCE CHINESE AIRLINER HIJACKERS

OW180805 Hong Kong AFP in English 0706 GMT 18 Aug 83

[Text] Taipei, Aug. 18 (AFP) -- Taiwan today expressed "regrets" over the jail terms handed down earlier in Seoul to the six hijackers of a Chinese airliner and said it would still seek to bring the would-be defectors here.

Following the announcement of the verdict extra sentries were posted around the South Korean Embassy. There were no immediate reports of trouble but police feared some people might attempt to harm the embassy or its staffers, a spokesman said.

Foreign Ministry spokesman Wang Chao-yuan said in a statement that Taipei had reiterated to the South Korean Government that the case was not a simple hijacking case but a highly political defection. Mr Wang said that aside from expressing to Seoul Taiwan's position on the case, the Nationalist Chinese would "adopt the most beneficial measures through the legal process and even other feasible means of negotiations to assist the six defectors to be repatriated to Taiwan at an early date."

The six Chinese had diverted a domestic flight to South Korea in May in the first successful hijacking of a Chinese commercial airliner. They were sentenced today by a Seoul court to jail terms (?ranging) from four to six years.

The text of Mr. Wang's statement as translated from the Chinese:

"We regret that the Seoul district court today respectively sentenced six Chinese defectors to six, five, and four years of imprisonment. We have reiterated our consistent position concerning the case to the Korean Government. We have from the very beginning considered that the case is not a simple hijacking case, but one that has highly political significance involving the defection to freedom (of Chinese citizens).

"The defendants are anti-communist defectors, who have risked their life to land in a free land. Their motives truly differ from those of air hijackers. We have closely contacted, coordinated, and sincerely explained our position to the Korean authorities, hoping that the latter would take into consideration the political nature and humanitarianism involved in the case, the free will of the defendants, and the friendly relationship between our two countries, so as to realize the release of the six through the legal process.

"Aside from expressing to the Korean Government our position on the case, we shall adopt the most beneficial measures through the legal process and even other feasible means of negotiations to assist the six defectors to be repatriated to Taiwan at an early date."

Government officials and jurists here thought the verdict was a little too harsh, but they were divided over what course of action should now be taken in the case. Some advocated an appeal but others favored political negotiations for the early release of the six Chinese who hijacked the British-made Trident with 105 people aboard on May 5 and diverted it to an airstrip outside Seoul.

The local Broadcasting Corporation of China (BCC) reported from Seoul that Nationalist Chinese ambassador there, Hsueh Yu-chi, said he "completely disagreed" with the sentences, although he respected the Korean judicial system. Mr. Hsueh also said that he would take the necessary steps, including legal action, to help the five men and one woman sentenced for the air piracy.

Reports from Seoul reaching here indicated that attorneys engaged by Nationalist Chinese authorities immediately expressed their intention to seek an appeal for a lighter punishment.

MORE U.S. IMPORTS URGED TO IMPROVE TRADE BALANCE

OW180345 Taipei CNA in English 0322 GMT 18 Aug 83

[Text] Taipei, Aug 18 (CNA) -- State-run enterprises have been instructed to buy more American machinery and to encourage the private sector to do the same, according to the Ministry of Economic Affairs. This is an attempt to improve the trade balance between the Republic of China and the United States.

Economic Affairs Minister Y.T. Chao told a meeting Wednesday that his ministry will do all it can to reduce the imbalance by relaxing restrictions on U.S. imports to Taiwan. Increasing purchases from the United States rather than reducing this country's exports was the way to close the deficit, he emphasized.

An official of the Board of Foreign Trade urged local manufacturers to buy more from the United States. "A huge imbalance in trade will impede the development of long-term trade relations between the two countries. The government will provide the necessary assistance to American businessmen who are interested in selling their products in Taiwan and will introduce Taiwan's investment environment and market situation to them at the 7th joint conference of ROC-U.S.A. and U.S.A.-ROC economic councils, to be held in Phoenix, Arizona, November 21-28," he said.

TA KUNG PAO ASSAILS 'HU, MILLIPEDES' EDITORIAL

HK180312 Hong Kong TA KUNG PAO in Chinese 18 Aug 83 p 2

["Political Talk" column by Shih Chun-yu: "The SOUTH CHINA MORNING POST Gravelly Forgets Itself"]

[Text] A Set of Systematic Policies

Some people say that, since Hu Yaobang mentioned that China has a complete set of policies for maintaining Hong Kong's prosperity, it might be a bit better to publish them quite soon. This probably depends on developments at the Sino-British talks. It will be the best possible thing if the two sides first reach agreement on the question of Hong Kong's future, and China then publishes its complete plans.

Since the two countries have already started the talks, it is of course expected that the talks will produce positive results; this will be beneficial for both sides. The development of the talks will not be too fast, nor, of course, can they be spun out too long. Already some people have expressed the hope that a conclusion will be reached next year. Hence, unless something unexpected happens, it is unlikely that this complete set of plans will be made known this year.

North Kowloon Administrative Powers

Hu Yaobang explicitly said that China will recover sovereignty over Hong Kong in 1997.

One newspaper here made a two-point response to this statement. The first point was that Hu Yaobang "did not seem to have mentioned whether China was recovering 'full sovereignty' or sovereignty over North Kowloon." The second point was that "Hu said nothing about the question of administrative power over Hong Kong after 1 July 1997."

China said long ago that it does not recognize any of the three unequal treaties; so, when talking about the Hong Kong issue, no distinction is made between North Kowloon, Kowloon south of Boundary Street, and Hong Kong Island.

Recovering sovereignty naturally means recovering administrative power as well. Gentlemen who endlessly advocate exchanging sovereignty for administrative powers, please stop dreaming.

Did They Not Advocate Expression of Public Opinion?

This newspaper also said that a scene of confrontation had now appeared in Hong Kong, and care should be paid to the consequences. Another English newspaper editorial on 16 August made a point of mentioning that "Last week a major left-wing trade union (meaning the Motor Transport Workers Union) issued a statement on the future of Hong Kong."

Actually, it was a report on Motor Transport Workers Union forums on the Hong Kong issue. The workers supported the national policy decision to regain sovereignty over Hong Kong at the appropriate time, and also refuted the strange theories of certain people with ulterior motives. These strange theories have been published in certain Hong Kong newspapers for 1 or 2 years now. This was only the first time the Motor Transport Workers Union had expressed its views (today there is also a news report on a study meeting held by the Union of Chinese Workers in Western Style Employment).

Have not certain people again and again advocated that public opinion be expressed? You have been talking for so long, and now it is time for others to have a say, too.

Having the Effrontery To Mention Hu Yaobang and Millipedes Simultaneously

The SOUTH CHINA MORNING POST has published editorials in the past 2 days dealing with the Hong Kong issue. However, the headline and contents of yesterday's editorial are really astonishing. Under the headline "Millipedes Present and Future," it compared Hu Yaobang's remarks on the Hong Kong issue with a news report on a swarm of millipedes descending from a tree near the Nanyang Theater. For a serious newspaper, this cannot but be described as a case of gravely forgetting oneself. This was a personal attack, and moreover it was an attack on the leader of the ruling party in China, and on China's policies. Can this be said to show any signs of respect for the Chinese people? On 16 August the SOUTH CHINA MORNING POST called for "Speaking up on our future." But if this is to be worded in such a way, deliberately out to cause ill feeling, it will not in fact have any advantage for Hong Kong.

JI PENGFEI HEADS HONG KONG OFFICE; UNION ON 1997

HK180157 Hong Kong HONG KONG STANDARD in English 18 Aug 83 p 1

[Text] Beijing has appointed veteran diplomat Mr Ji Pengfei to be the chief spokesman on Hong Kong and Macao affairs, in an apparent attempt to rally international support for its stand on the future of the colony. It had been widely believed that Mr Ji would succeed the late Mr Liao Chengzhi, as the director of the Hong Kong and Macao Office in the State Council. And it was not until recently that Chinese officials confirmed the nomination to a local magazine. The pro-Beijing publication, THE WIDE ANGLE [KUANG CHIAO CHING], said in its latest issue that Mr Ji had already taken up the directorship.

Mr Ji, 73, was foreign minister in the early 1970s and is now a State Councillor and a Standing Committee member of the party's Central Advisory Committee.

Analysts yesterday said the appointment of a veteran diplomat to the Hong Kong and Macao Office reflected Beijing's intention to address the international community on the Hong Kong issue. The analysts said the intention was made clear by Beijing which had not chosen to nominate Mr Xi Zhongxun, a former Guangdong governor, as the director.

"Though Mr Xi may have more knowledge of Hong Kong, he is far less experienced in diplomacy than Mr Ji."

Analysts observed that China was prepared to play the "international card". They quoted the examples of Foreign Minister Wu Xueqian briefing his Australian counterpart Mr Bill Hayden, on the Sino-British negotiations and the Communist Party chief, Mr Hu Yaobang, talking to the president of Japan's MAINICHI newspaper on the subject. "Mr Ji will certainly use his diplomatic experiences and connections to 'sell' China's plans on Hong Kong to other countries," the analysts said. They also said Mr Ji would strengthen the Chinese team for the Sino-British negotiations. They noted that he had a good record of performances during his tenure as foreign minister. It was during his term of office that China and Britain upgraded their diplomatic relations to ambassadorial level. It was also during his tenure that China was readmitted to the United Nations in 1971 and began the process of normalising relations with many Western countries.

Analysts also noted that during Mr Ji's tenure as foreign minister, China declared at the United Nations that the questions of Hong Kong and Macao "do not at all fall under the category of colonial territories" and they "should be settled in an appropriate way when conditions are ripe." Mr. Ji was also described as an "old hand" in negotiations. In 1973, he led the Chinese team to Paris to attend the international conference on Vietnam.

Meanwhile, informed Chinese sources said with the "upgrading" of the Hong Kong and Macao affairs, the office now under the leadership of Mr Ji has become more important. They believed the office would also step up its activities in winning over local public opinion.

Another leftwing union here yesterday supported Beijing's claim to sovereignty and administration over the colony in 1997. The Union of Chinese Workers in Western Style Employment is the second leftwing union which has addressed itself publicly on the issue. The Motor Transport Workers' Union issued a statement last Saturday criticising the Hong Kong Government and supporting Beijing's claim. The Union of Chinese Workers in Western Style Employment in a statement last night said it had held a seminar a few days ago on Hong Kong's future. It said the 100-odd participants had a warm discussion of the topic and expressed full support for China's policy on the future of Hong Kong. It also said the workers longed for the day when China will exercise sovereignty over Hong Kong. The statement also denounced the views of those who advocated separating sovereignty and the administration. The participants said such views, like those of "mutual administration" and "trusteeship", were intended to prolong colonial rule in Hong Kong. The statement said the workers believed the colony could be better managed by Hongkongites.

On the reasons for the success of Hong Kong, the workers singled out China's consistent and stable support as the most important factor. That policy has made the political situation of Hong Kong more stable than the neighbouring regions. "Under the circumstances, investments poured into Hong Kong and strengthened its economic vitality." The statement listed the diligence of the Hongkongites and Hong Kong's favourable geographical position as the other reasons for Hong Kong's success. "Without these, no matter how capable the British are, Hong Kong cannot achieve such prosperity."

The statement pointed out that many administrative matters were actually handled by local Chinese.

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